

Item No. 46

TOWN OF LAUDERDALE-BY-THE-SEA

AGENDA ITEM REQUEST FORM

Administration

Department Submitting Request

Town Manager

Dept Head's Signature

<u>Commission Meeting Dates</u>	<u>Last date to turn in to Town Clerk's Office</u>	<u>Commission Meeting Dates</u>	<u>Last date to turn in to Town Clerk's Office</u>	<u>Commission Meeting Dates</u>	<u>Last date to turn in to Town Clerk's Office</u>
<input type="checkbox"/> Nov 10, 2009	Oct. 30 (5:00 p.m.)	<input type="checkbox"/> Jan 26, 2010	Jan 15 (5:00 p.m.)	<input type="checkbox"/> March 23, 2010	Mar 12 (5:00 p.m.)
<input type="checkbox"/> Dec 1, 2009	Nov 20 (5:00 p.m.)	<input checked="" type="checkbox"/> Feb 9, 2010	Jan 29 (5:00 p.m.)	<input type="checkbox"/> April 13, 2010	April 2 (5:00p.m.)
<input type="checkbox"/> Dec 8, 2009	Nov 25 (5:00 p.m.)	<input type="checkbox"/> Feb 23, 2010	Feb 12 (5:00 p.m.)	<input type="checkbox"/> April 27, 2010	April 16 (5:00p.m.)
<input type="checkbox"/> Jan 12, 2010	Dec 31 (5:00 p.m.)	<input type="checkbox"/> Mar 4, 2010	Feb 19 (5:00p.m.)	<input type="checkbox"/> May 11, 2010	April 30 (5:00p.m.)

NATURE OF AGENDA ITEM

- | | | |
|---|---|--|
| <input type="checkbox"/> Presentation | <input type="checkbox"/> Resolution | <input checked="" type="checkbox"/> New Business |
| <input type="checkbox"/> Report | <input type="checkbox"/> Ordinance | <input type="checkbox"/> Manager's Report |
| <input type="checkbox"/> Consent Agenda | <input type="checkbox"/> Public Hearing | <input type="checkbox"/> Attorney's Report |
| <input type="checkbox"/> Bids | <input type="checkbox"/> Old Business | <input type="checkbox"/> Other |

EXPLANATION: Presentation RFQ 09-12-02 – Auditing Services**STAFF RECOMMENDATION:****BOARD/COMMITTEE RECOMMENDATION:****FISCAL IMPACT AND APPROPRIATION OF FUNDS:**


- | | |
|---|--|
| <input type="checkbox"/> Amount \$ _____ | <input type="checkbox"/> Acct # _____ |
| <input type="checkbox"/> Transfer of funds required | <input type="checkbox"/> From Acct # _____ |
| <input type="checkbox"/> Bid | <input type="checkbox"/> Grant <input type="checkbox"/> Amount represents matching funds |

Town Attorney review required

☐ Yes ☒ NoTown Manager's Initials: AR

Town of Lauderdale-By-The-Sea
4501 Ocean Drive
Lauderdale-By-The-Sea, Florida 33308-3610

Memorandum

To: Esther Colon, Town Manager
From: June White, Town Clerk 
Date: 1/29/2010
Re: RFQ 09-12-02 – Auditing Services

The audit review committee recommended the following firms in order of preference to be the most qualified to perform the required services:

1. Marcum Rachlin
2. Moore Stephens Lovelace, P.A.
3. GLSC & Company

Thank you.

Auditor Selection Procedure Statute

Select Year: 2009

The 2009 Florida Statutes

Title XIV	Chapter 218	View Entire Chapter
TAXATION AND FINANCE	FINANCIAL MATTERS PERTAINING TO POLITICAL SUBDIVISIONS	

218.391 Auditor selection procedures.--

(1) Each local governmental entity, district school board, charter school, or charter technical career center, prior to entering into a written contract pursuant to subsection (7), except as provided in subsection (8), shall use auditor selection procedures when selecting an auditor to conduct the annual financial audit required in s. 218.39.

(2) The governing body of a charter county, municipality, special district, district school board, charter school, or charter technical career center shall establish an audit committee. Each noncharter county shall establish an audit committee that, at a minimum, shall consist of each of the county officers elected pursuant to s. 1(d), Art. VIII of the State Constitution, or a designee, and one member of the board of county commissioners or its designee. The primary purpose of the audit committee is to assist the governing body in selecting an auditor to conduct the annual financial audit required in s. 218.39; however, the audit committee may serve other audit oversight purposes as determined by the entity's governing body. The public shall not be excluded from the proceedings under this section.

(3) The audit committee shall:

(a) Establish factors to use for the evaluation of audit services to be provided by a certified public accounting firm duly licensed under chapter 473 and qualified to conduct audits in accordance with government auditing standards as adopted by the Florida Board of Accountancy. Such factors shall include, but are not limited to, ability of personnel, experience, ability to furnish the required services, and such other factors as may be determined by the committee to be applicable to its particular requirements.

(b) Publicly announce requests for proposals. Public announcements must include, at a minimum, a brief description of the audit and indicate how interested firms can apply for consideration.

(c) Provide interested firms with a request for proposal. The request for proposal shall include information on how proposals are to be evaluated and such other information the committee determines is necessary for the firm to prepare a proposal.

(d) Evaluate proposals provided by qualified firms. If compensation is one of the factors established pursuant to paragraph (a), it shall not be the sole or predominant factor used to evaluate proposals.

(e) Rank and recommend in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established pursuant to paragraph (a). If fewer than three firms respond to the request for proposal, the committee shall recommend such firms as it deems to be the most highly qualified.

(4) The governing body shall inquire of qualified firms as to the basis of compensation, select one of the firms recommended by the audit committee, and negotiate a contract, using one of the following methods:

(a) If compensation is not one of the factors established pursuant to paragraph (3)(a) and not used to evaluate firms pursuant to paragraph (3)(e), the governing body shall negotiate a contract with the firm ranked first. If the governing body is unable to negotiate a satisfactory contract with that firm, negotiations with that firm shall be formally terminated, and the governing body shall then undertake negotiations with the second-ranked firm. Failing accord with the second-ranked firm, negotiations shall then be terminated with that firm and undertaken with the third-ranked firm. Negotiations with the other ranked firms shall be undertaken in the same manner. The governing body, in negotiating with firms, may reopen formal negotiations with any one of the three top-ranked firms, but it may not negotiate with more than one firm at a time.

(b) If compensation is one of the factors established pursuant to paragraph (3)(a) and used in the evaluation of proposals pursuant to paragraph (3)(d), the governing body shall select the highest-ranked qualified firm or must document in its public records the reason for not selecting the highest-ranked qualified firm.

(c) The governing body may select a firm recommended by the audit committee and negotiate a contract with one of the recommended firms using an appropriate alternative negotiation method for which compensation is not the sole or predominant factor used to select the firm.

(d) In negotiations with firms under this section, the governing body may allow a designee to conduct negotiations on its behalf.

(5) The method used by the governing body to select a firm recommended by the audit committee and negotiate a contract with such firm must ensure that the agreed-upon compensation is reasonable to satisfy the requirements of s. 218.39 and the needs of the governing body.

(6) If the governing body is unable to negotiate a satisfactory contract with any of the recommended firms, the committee shall recommend additional firms, and negotiations shall continue in accordance with this section until an agreement is reached.

(7) Every procurement of audit services shall be evidenced by a written contract embodying all provisions and conditions of the procurement of such services. For purposes of this section, an engagement letter signed and executed by both parties shall constitute a written contract. The written contract shall, at a minimum, include the following:

(a) A provision specifying the services to be provided and fees or other compensation for such services.

(b) A provision requiring that invoices for fees or other compensation be submitted in sufficient detail to demonstrate compliance with the terms of the contract.


(c) A provision specifying the contract period, including renewals, and conditions under which the contract may be terminated or renewed.

(8) Written contracts entered into pursuant to subsection (7) may be renewed. Such renewals may be done without the use of the auditor selection procedures provided in this section. Renewal of a contract shall be in writing.

History.--s. 65, ch. 2001-266; s. 1, ch. 2005-32.

Statute

Annual Financial Audit Reports

Select Year: 2009 

The 2009 Florida Statutes

Title XIV	Chapter 218	View Entire Chapter
TAXATION AND FINANCE	FINANCIAL MATTERS PERTAINING TO POLITICAL SUBDIVISIONS	

218.39 Annual financial audit reports.--

(1) If, by the first day in any fiscal year, a local governmental entity, district school board, charter school, or charter technical career center has not been notified that a financial audit for that fiscal year will be performed by the Auditor General, each of the following entities shall have an annual financial audit of its accounts and records completed within 12 months after the end of its fiscal year by an independent certified public accountant retained by it and paid from its public funds:

- (a) Each county.
- (b) Any municipality with revenues or the total of expenditures and expenses in excess of \$250,000.
- (c) Any special district with revenues or the total of expenditures and expenses in excess of \$100,000.
- (d) Each district school board.
- (e) Each charter school established under s. [1002.33](#).
- (f) Each charter technical center established under s. [1002.34](#).
- (g) Each municipality with revenues or the total of expenditures and expenses between \$100,000 and \$250,000 that has not been subject to a financial audit pursuant to this subsection for the 2 preceding fiscal years.
- (h) Each special district with revenues or the total of expenditures and expenses between \$50,000 and \$100,000 that has not been subject to a financial audit pursuant to this subsection for the 2 preceding fiscal years.

(2) The county audit report shall be a single document that includes a financial audit of the county as a whole and, for each county agency other than a board of county commissioners, an audit of its financial accounts and records, including reports on compliance and internal control, management letters, and financial statements as required by rules adopted by the Auditor General. In addition to such requirements, if a board of county commissioners elects to have a separate audit of its financial accounts and records in the manner required by rules adopted by the Auditor General for other county

agencies, such separate audit shall be included in the county audit report.

(3)(a) A dependent special district may make provision for an annual financial audit by being included within the audit of another local governmental entity upon which it is dependent. An independent special district may not make provision for an annual financial audit by being included within the audit of another local governmental entity.

(b) A special district that is a component unit, as defined by generally accepted accounting principles, of a local governmental entity shall provide the local governmental entity, within a reasonable time period as established by the local governmental entity, with financial information necessary to comply with this section. The failure of a component unit to provide this financial information must be noted in the annual financial audit report of the local governmental entity.

(4) A management letter shall be prepared and included as a part of each financial audit report.

(5) At the conclusion of the audit, the auditor shall discuss with the chair of each local governmental entity or the chair's designee, or with the elected official of each county agency or with the elected official's designee, or with the chair of the district school board or the chair's designee, or with the chair of the board of the charter school or the chair's designee, or with the chair of the charter technical career center or the chair's designee, as appropriate, all of the auditor's comments that will be included in the audit report. If the officer is not available to discuss the auditor's comments, their discussion is presumed when the comments are delivered in writing to his or her office. The auditor shall notify each member of the governing body of a local governmental entity, district school board, charter school, or charter technical career center for which deteriorating financial conditions exist that may cause a condition described in s. 218.503(1) to occur if actions are not taken to address such conditions.

(6) The officer's written statement of explanation or rebuttal concerning the auditor's findings, including corrective action to be taken, must be filed with the governing body of the local governmental entity, district school board, charter school, or charter technical career center within 30 days after the delivery of the auditor's findings.

(7) The predecessor auditor of a district school board shall provide the Auditor General access to the prior year's working papers in accordance with the Statements on Auditing Standards, including documentation of planning, internal control, audit results, and other matters of continuing accounting and auditing significance, such as the working paper analysis of balance sheet accounts and those relating to contingencies.

(8) All audits conducted in accordance with this section must be conducted in accordance with the rules of the Auditor General promulgated pursuant to s. 11.45. All audit reports and the officer's written statement of explanation or rebuttal must be submitted to the Auditor General within 45 days after delivery of the audit report to the entity's governing body, but no later than 12 months after the end of the fiscal year.

(9) Each charter school and charter technical career center must file a copy of its audit report with the

sponsoring entity; the local district school board, if not the sponsoring entity; the Auditor General; and with the Department of Education.

(10) This section does not apply to housing authorities created under chapter 421.

(11) Notwithstanding the provisions of any local law, the provisions of this section shall govern.

History.--s. 65, ch. 2001-266; s. 924, ch. 2002-387; s. 28, ch. 2004-305; s. 2, ch. 2006-190; s. 2, ch. 2009-214.

RFQ 09-12-02
Auditing Services

TOWN OF LAUDERDALE -BY-THE-SEA

**REQUEST FOR QUALIFICATIONS
RFQ 09-12-02**

The Town of Lauderdale-By-The-Sea is requesting proposals from firms of Certified Public Accountants to conduct the Town's annual audit and its financial statements and the annual audit and financial statements of the Volunteer Firefighters' Pension Fund for the fiscal year ending September 30, 2010. Please submit a Notification of Interest no later than January 7, 2010. Sealed proposals must be received by the Town no later than 2:00 p.m. January 19, 2010. Proposals received after that date and time will not be considered and will be returned unopened. One (1) original and eight (8) copies of bound and sealed proposals are required and should be addressed to the Town Clerk, 4501 Ocean Drive, Lauderdale-By-The-Sea, Florida 33308. The Town of Lauderdale-By-The-Sea reserves the right to reject any and all proposals. Copies of the Request for Qualifications may be obtained at Town Hall.

SunSentinel: Sunday, December 20, 2009

TOWN OF LAUDERDALE-BY-THE-SEA

REQUEST FOR QUALIFICATIONS
FOR

PROFESSIONAL AUDITING SERVICES

Town Annual Audit and Towns Volunteer Fire Department Pension

LAUDERDALE-BY-THE-SEA

REQUEST FOR QUALIFICATIONS

TABLE OF CONTENTS

- I. Introduction**
 - A. General Information and Term of Engagement**
 - B. Information and Clarification**
 - C. Presentation Costs**
 - D. Certification**
 - E. Public Records**
 - F. Retention of Qualifications and Acceptance of Conditions**
- II. Nature of services required**
 - A. General**
 - B. Scope of Work to be Performed**
 - C. Auditing Standards to be Followed**
 - D. Reports to be Issued**
 - E. Special Considerations**
 - F. Working Paper Retention and Access to Working Papers**
 - G. Insurance Requirements**
 - H. Additional Consulting Services**
- III. Description of the government**
 - A. Name and Telephone Number of Contact Persons**
 - B. Background Information**
 - C. Fund Structure**
- IV. Time requirements**
 - A. Time Schedule for Each Fiscal Year's Audit**
 - 1. Audit Plan**
 - 2. Fieldwork**
 - 3. Issuance of Reports and Financial Statement Attestation**
 - B. Entrance Conferences, Progress Reporting and Exit Conferences**
- V. Assistance to be provided to the auditor and report preparation**
 - A. Finance Department Support**
 - B. Work Area, Telephones, Photocopying and FAX Machines**
 - C. Report Preparation**

TABLE OF CONTENTS
(Continued)

- VI. Qualification requirements
 - A. Submission of Qualifications
 - B. Qualification Format
 - C. Qualification Content
 - 1. License to Practice in Florida
 - 2. Firm Qualifications and Experience
 - 3. Partner, Supervisory and Staff Qualifications and Experience
 - 4. Similar Engagements with Other Government Entities
 - 5. Specific Audit Approach
 - 6. Identification of Anticipated Potential Audit Problems
 - 7. Independence
 - D. Addenda
- VII. Evaluation procedures
 - A. Auditor Committee
 - B. Review of Qualifications
 - C. Evaluation Criteria
 - 1. Mandatory Elements
 - 2. Technical Qualifications
 - D. Oral Presentations
 - E. Final Selection
 - F. Right to Reject Qualifications

APPENDICES

- A. Qualifier Warranties
- B. Public Entity Crimes Affidavit
- C. Non-Collusion Affidavit
- D. Acknowledgement of Addenda
- E. Independence Affidavit

SECTION I. INTRODUCTION AND GENERAL INFORMATION

A. General Information and Term of Engagement

Lauderdale-By-The-Sea (the "Town"), a Florida Municipality located in Broward County, is requesting qualifications from qualified Certified Public Accounting firms to audit its financial statements for the fiscal year ending September 30, 2010, with the option of auditing its financial statements for each of the four (4) subsequent fiscal years. This is a Financial Audit as required under Section 218.39, Florida Statutes.

B. Information and Clarification

All requests for information or clarification regarding this Qualification shall be made in writing and received by the Town not later than 7 days prior to the Qualification submittal date. Written inquiries shall be addressed to:

June White, Town Clerk
Lauderdale-By-The-Sea
4501 Ocean Drive, Lauderdale-By-The-Sea, FL 33308
Phone: 954-776-0576
FAX: 954-776-1857

No person is authorized to give oral interpretations of, or make oral change to, this Request for Qualifications (RFQ). Only written Addendum from the Town shall be binding.

C. Presentation Costs

The Town shall not be liable for any costs, fees or expenses incurred by any firm in responding to the Request for Qualifications or any subsequent inquiries or presentation relating to a response.

D. Certification

The signer of the qualification must declare that the only person(s), company or parties interested in the project as principals, are named therein; that the qualification is made without collusion with any other person(s), company or parties that submitted a qualification; that it is in all respects fair and in good faith, without collusion or fraud; and that the signer of the qualification has full authority to bind the principals.

E. Public Records

Upon award recommendation or ten (10) days after qualification opening, whichever is earlier, any material submitted in response to this RFQ will become a "public record" and shall be subject to public disclosure consistent with Chapter 119, Florida Statutes (Public Record Law). Qualifiers must claim the applicable exemptions to disclosure provided by law in their response to the RFQ by identifying materials to be protected, and must state the reasons why such exclusion from public disclosure is necessary and legal. The Town reserves the right to make all final determination(s) of the applicability of the Florida Public Records Law.

F. Retention of Qualifications and Acceptance of Conditions

The Town reserves the right to retain all qualifications submitted and to use any ideas in a qualification regardless of whether that qualification is selected. Submission of a qualification indicates acceptance by the firm of the conditions contained in this Request for Qualifications, unless clearly and specifically noted in the qualification submitted and confirmed in the contract between the Town and the firm selected.

II. **NATURE OF SERVICES REQUIRED**

A. General

The Town is soliciting the services of qualified firms of certified public accountants to audit its financial statements for the fiscal year ending September 30, 2010, with the option to audit the Town financial statements for each of the four (4) subsequent fiscal years.

B. Scope of Work to be Performed

The Town desires the auditor to express an opinion on the fair presentation of its general purpose financial statements in conformity with generally accepted accounting principles. This is a Financial Audit which shall meet the requirements of 218.39, Florida Statutes.

C. Auditing Standards to be Followed

To meet the requirements of this Request for Qualifications, the audit shall be performed in accordance with:

- Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA)
- The government auditing standards set forth in the U.S. General Accounting Office's *Government Auditing Standards*
- The rules and requirements established by the Auditor General of the State of Florida for form and content of audits
- The provisions of the Federal Single Audit Act of 1984
- The Florida Single Audit Act
- The provisions of the U.S. Office of Management and Budget (OMB) Circular A-133 and any applicable amendments Section 11.45, Florida Statutes
- State of Florida Department of Banking and Finance regulations
- Any other applicable Federal, State and local laws or regulations

D. Reports to be Issued

Following the completion of the audit of the fiscal year's financial statements, the auditor shall compile the financial statements and footnotes based on information provided by the Town. In addition, the auditor shall prepare reports as required by adherence to the auditing standards cited in Section C. above, including but not limited to:

- A report on the fair presentation of the basic financial statements in conformity with generally accepted accounting principles.

- A report on the internal control structure based on the audit of the basic financial statements performed in accordance with government auditing standards.
- A report on compliance with applicable laws and regulations.

In the required reports on internal controls, the auditor shall communicate any significant deficiencies found during the audit. A significant deficiency shall be defined as a significant deficiency in the design or operation of the internal control structure which could adversely affect the organization's ability to record, process, summarize and report financial data consistent with the assertions of management in the financial statements.

Significant deficiencies that are also material weaknesses shall be identified as such in the report.

Non-reportable conditions discovered by the auditors shall be reported in a separate letter to management, which shall be referred to in the reports on internal controls.

The report on compliance shall include all material instances of noncompliance. All nonmaterial instances of noncompliance shall be reported in a separate management letter, which shall be referred to in the report on compliance.

Auditors shall be required to make an immediate, written report of all irregularities and illegal acts of which they become aware to the appropriate Town personnel (which may include the Town Manager, the Finance Director and the Town Commission) as well as the Town Attorney.

E. Special Considerations

The Town intends to send its Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association of the United States and Canada for review in their Certificate of Achievement for Excellence in Financial Reporting program. It is anticipated that the auditor will be required to provide some assistance to the Town to meet the requirements of that program.

F. Working Paper Retention and Access to Working Papers

All working papers and reports must be retained, at the auditor's expense, for a minimum of five (5) years, unless the firm is notified in writing by the Town of the need to extend the retention period. The auditor will be required to make working papers available upon request by the Town Manager or Finance Director.

In addition, the firm shall respond to the reasonable inquiries of successor auditors and allow successor auditors to review working papers relating to matters of continuing accounting significance at the auditor's expense.

G. Insurance Requirements

The auditor shall maintain at its sole cost and expense at all times, in addition to any other insurance the Town may reasonably require, professional liability insurance, comprehensive general liability insurance and automotive liability insurance with minimum policy limits for each coverage in the amount of One Million Dollars (\$1,000,000.00) per occurrence, single limit for property damage and bodily injury, including death. The auditor shall also maintain worker's compensation insurance at the statutory minimums required by Chapter 440, Florida Statutes.

Qualifier shall provide proof in the form of a certificate of insurance complying with the requirements specified above or evidence of insurability in the form of a letter from its insurance carrier indicating that Qualifier is able to obtain the required insurance. If the Qualifier is selected to provide audit services, the Town shall be named as an additional insured on each of the above policies, unless prohibited by law.

H. Additional Consulting Services

In addition to the regular audit requirements, the Town may request that the audit firm selected provide consulting services for evaluation of systems which the Town will be implementing, or other audit related matters outside the performance of the annual audit. The auditors and Town will separately negotiate a fee for each instance that consulting services are requested.

III. DESCRIPTION OF THE GOVERNMENT

A. Name and Telephone Number of Contact Person

The auditor's principal contact with the Town will be the Finance-Budget Director, who will coordinate the assistance to be provided to the auditor by the Town.

B. Background Information

The Town was incorporated as a municipality as of 1947, and commenced operations on November 30, 1947. It is located in Broward County, Florida. The current population of the Town is approximately 5,852 residents. The Town is a legal taxing district with the power to levy ad valorem tax within its boundaries.

The Town operates under the Town Manager form of government. The Town is governed by a five (5) member Town Commission. The Town Manager is appointed by the Town Commission to administer Town operations and policy.

The Town fiscal year begins on October 1 and ends on September 30. Budgets are adopted annually in accordance with the Town Charter, and expenditures are controlled in accordance with written policies and procedures.

C. Fund Structure

The Town currently uses the following fund types and account groups in its financial reporting:

Fund Type / Account Group	# of Individual Funds
Governmental Funds	2
Special Revenue Funds	1
Proprietary Funds	2
General Fixed Assets Account Group	3
General Long-term Debt Account Group	1

IV. TIME REQUIREMENTS

A. Time Schedule for Each Fiscal Year's Audit

The Town and Auditors will mutually agree on a time schedule to be developed for the audit of each fiscal year. The schedule shall include dates for completing each of the following steps by the auditors no later than the agreed upon date for each year of the audit. Each of the following shall be completed by the auditor no later than the dates indicated.

1. **Audit Plans:**

The auditor shall provide a detailed audit plan and a list of all schedules to be prepared by the Town by September 15th of each year.

2. **Fieldwork:**

The auditor shall complete all fieldwork by January 15 of each year.

3. **Issuance of Reports and Financial Statement Attestation:**

The auditor shall have ready for publication all reports denoted in Section II.D. of this Request for Qualifications by February 15 of each year.

B. Entrance Conferences. Progress Reporting and Exit Conferences

There shall be an entrance conference with key Town personnel no later than October 30st of each year. Progress conferences will be held with key Town personnel throughout the engagement. An exit conference will be scheduled to discuss the draft report and management letter prior to the issuance of the CAFR.

V. ASSISTANCE TO BE PROVIDED TO THE AUDITOR AND REPORT PREPARATION

A. Finance Department Support

The Finance Director will be available during the audit to assist the firm by providing information, documentation and explanations. The preparation of confirmations will be the responsibility of the Town.

B. Work Area, Telephones. Photocopying and FAX Machines

For necessary on-site work, the Town will provide the auditor with reasonable work space, desks and chairs. The auditor will also be provided with access to telephone lines, photocopying facilities and FAX machines at no charge to the auditor.

C. Report Preparation

Pro formas and editing will be the responsibility of the Auditor. Report preparation and printing shall also be the responsibility of the Auditor, with assistance from Town staff. The Auditor shall be responsible for providing 20 copies of the annual financial reports (CAFR and VFD Pension Audit Report) to the Town, and assist Town staff with preparing additional bound copies as needed for reporting and award distribution. The Auditor shall also be responsible for preparing an electronic copy of the complete CAFR which meets the electronic submission requirements of the Auditor General.

VI. QUALIFICATION REQUIREMENTS

A. Submission of Qualifications

To be considered, one (1) original and eight (8) copies of qualifications must be received by the Town Clerk, at the Lauderdale-By-The-Sea, at 4501 Ocean Drive, Lauderdale-By-The-Sea, Florida, 33308, no later than _____ day, _____ at 5:00 P.M.

The qualification shall be signed by a representative who is authorized to contractually bind the firm.

Each qualification shall be prepared simply and economically, providing a straightforward, concise delineation of the firm's capabilities to satisfy the requirements of the Request for Qualifications. The emphasis in each qualification must be on completeness and clarity of content. In order to expedite the evaluation of qualifications, it is essential that firms follow the format and instructions contained herein, as outlined in this Section.

THERE SHALL BE NO DOLLAR UNITS OR TOTAL COSTS INCLUDED IN THE QUALIFICATION DOCUMENT

If the firm so wishes, the qualification may be accompanied by brochures, promotional materials or colorful displays properly identified. The qualification shall be sealed and clearly marked on the outside as follows:

REQUEST FOR QUALIFICATIONS - PROFESSIONAL AUDITING SERVICES TOWN OF LAUDERDALE-BY-THE-SEA

Qualifiers shall send the completed qualification to the following address:

Lauderdale-By-The-Sea
Attention: Town Clerk

IF MAILED BY OTHER CARRIER: 4501 Ocean Drive
Lauderdale-By-The-Sea, FL 33308

B. Qualification Format

The following material shall be submitted for a Qualifying firm to be considered:

1. Title Page
Title page showing the RFQ subject; the firm's name; the name, address and telephone number of the contact person, and the date of the qualification.
2. Table of Contents
3. Transmittal Letter
A signed letter of transmittal briefly stating the Qualifier's understanding of the work to be done, the commitment to perform the work within the time period, a statement why the firm believes itself to be best qualified to perform the engagement and a statement that the qualification is a firm and irrevocable offer for ninety (90) days.

4. Detailed Qualification

The detailed qualification shall follow the order set forth in Section VT.C of this RFQ.

5. Executed copies of Appendices

These forms are attached to this RFQ as appendices as follows:

Appendix A: Qualifier's Warranties

Appendix B: Public Entity Crimes Statement

Appendix C: Non-Collusion Affidavit

Appendix D: Acknowledgement of Addenda

Appendix E: Independence Affidavit

C. Qualification Content

The purpose of the qualification is to determine the qualifications, competence and capacity of the firms seeking to undertake an independent audit of the Town in conformity with the requirements of this Request for Qualifications. As such, the substance of qualifications will carry more weight than their form or manner of presentation. The qualification shall demonstrate the qualifications of the firm and of the particular staff to be assigned to this engagement. It shall also specify an audit approach that will meet the RFQ requirements.

**THERE SHALL BE NO DOLLAR UNITS OR TOTAL COSTS
INCLUDED IN THE QUALIFICATION DOCUMENT**

While additional data may be presented in the qualification, the following subjects shall be included.

1. License to Practice in Florida

An affirmative statement shall be included, indicating that the firm and all assigned supervisory professional staff are properly licensed to practice in Florida and qualified to perform governmental audits.

2. Independence

The Qualifier should provide an affirmative statement that it meets all the appropriate guidelines and criteria for independence from the Town. On the form provided as Appendix E to this RFQ, the Qualifier shall list, and describe, any relationships - professional, financial or otherwise - that it may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in this RFQ. Additionally, the Qualifier shall give the Town written notice of any other relationships - professional, financial or otherwise - that it enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of the Agreement.

D. Addenda

The Town reserves the right to issue addenda. Each Qualifier shall acknowledge receipt of such addenda on the form provided as Appendix D. In the event any Qualifier fails to acknowledge receipt of such addenda, his/her qualification shall nevertheless be construed as though the addenda had been

received and acknowledged and the submission of his/her qualification shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her. It is the responsibility of each prospective Qualifier to verify that he/she has received all addenda issued before depositing the qualification with the Town.

3. Firm Qualifications and Experience

The qualification shall state the size of the firm's governmental staff, the location of the office from which the work on this engagement is to be performed and the number and level of the professional staff to be employed in this engagement on a full-time basis and the number and level of the staff to be so employed on a part-time basis.

If the firm is a joint venture or consortium, the qualifications of each firm comprising the joint venture or consortium shall be separately identified, and the firm that is to serve as the principal auditor shall be noted, if applicable.

In a joint qualification, the principal firm shall complete and sign the qualification Signature Page {Appendix A}, and the structure, duties and responsibilities of each firm shall be clearly delineated.

Each firm is also required to submit a copy of the report on its most recent external / quality control review, with a statement whether that quality control review included a review of specific local government engagements.

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or /pending against the firm during the past three (3) years with state regulatory bodies or professional organizations. The firm shall provide an explanation of all pending, local office litigation as well as all litigation related to the firm's audits of State or Local Government entities.

4. Partner, Supervisory and Staff Qualifications and Experience

The firm shall identify the principal supervisory and management staff, including engagement partners, managers, other supervisors and specialists who would be assigned to the engagement, and indicate whether each such person is licensed to practice as a certified public accountant in Florida. The firm also shall provide information on the number of years performing government audits as well as the auditing experience of each person, including information on relevant continuing professional education for the past four (4) years and membership in professional organizations relevant to the performance of this audit.

The firm shall provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also shall indicate how the quality of staff over the term of the agreement will be assured.

Engagement partners, managers, other supervisory staff and specialists may be changed if those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Town. However, in either case, the Town retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this Request for Qualifications can only be changed with the express prior written permission of the Town, which retains the right to approve or reject replacements.

Other audit personnel may be changed at the discretion of the Qualifier provided that replacements have substantially the same or better qualifications or experience.

5. Similar Engagements with Other Governmental Entities

For the firm's office that will be assigned responsibility for the audit, list a minimum of five Florida municipal audit engagements performed in the last three years and include the name and phone number of the customer point of contact for each audit engagement.

6. Specific Audit Approach

The qualification shall set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Qualifications. In developing the work plan, reference shall be made to such sources of information as the Town's budget and related materials, organization charts, manuals and programs and financial and other management information systems.

Qualifiers will be required to provide the following information on their audit approach:

- a. Qualified segmentation of the engagement.
- b. Level of staff to be assigned to each qualified segment of the engagement.
- c. Type and extent of analytical procedures to be used in the engagement.
- d. Approach to be taken to gain and document an understanding of the Town's internal control structure.
- e. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- f. Approach to be taken in drawing audit samples for purposes of tests of compliance.

7. Identification of Anticipated Potential Audit Problems

The qualification shall identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Town staff.

VII. EVALUATION PROCEDURES

A. Auditor Committee

All responsive qualifications submitted in response to this Request for Qualifications will be evaluated and considered by the members of the Auditor Committee which shall consist of the Town Manager, the Budget-Finance Director and an external Finance Director from an other municipality.

B. Review of Qualifications

The members of the Auditor Committee will examine the documentation submitted in the qualification

to determine the responsiveness of each Qualifier. A qualification will be considered responsive if it contains, as a minimum, the Mandatory Elements outlined in Section VII.C.1. below. Failure to provide the required mandatory information shall disqualify any such qualification as non-responsive, and such qualification will not be considered.

The Auditor Committee will individually rank the responsive qualifications based on the Technical Qualifications criteria outlined in Section VII.C.2 of this document. The full Auditor Committee will then convene to review and discuss these evaluations and any committee member may revise their initial ranking based on these discussions. Finally, the committee will combine the individual rankings to arrive at a composite ranking for each firm.

During the evaluation process, the Auditor Committee and the Town reserve the right, where it may serve the Town's best interest, to request additional information or clarifications from Qualifiers, or to allow corrections of errors or omissions.

C. Evaluation Criteria

Qualifications will be evaluated using the criteria outlined below. Firms meeting the mandatory criteria will be deemed responsive and will have their qualifications evaluated and ranked for technical qualifications. The following represent the principal criteria which will be considered during the evaluation and ranking process.

1. Mandatory Elements
 - a. The audit firm is independent and licensed to practice in Florida.
 - b. The audit firm's professional personnel have received adequate continuing professional education within the preceding four (4) years in accordance with the requirements of the Florida State Board of Accountancy and Government Auditing Standards.
 - c. The firm has no conflict of interest with regard to any other work performed by the firm for the Town.
 - d. The firm submits a copy of its last external quality control review report and the firm has a record of quality audit work.
 - e. The firm adheres to the instructions in this Request for Qualifications for preparing and submitting the qualification.
2. Technical Qualifications
 - a. Expertise and Experience
 - (1) The firm's experience and performance on comparable government engagements, including recognized CAFR awards of their clients.
 - (2) The quality and experience of the firm's professional personnel to be assigned to the engagement and the quality of the firm's management support personnel to be available for technical consultation.
 - b. Audit Approach
 - (1) Adequacy of qualified staffing plan for various segments of the engagement.
 - (2) Adequacy of sampling techniques.
 - (3) Adequacy of analytical procedures.

D. Oral Presentations

During the evaluation process, the Auditor Committee may, at its discretion, request one or more firms to make oral presentations. The presentation team shall include the engagement partner, engagement manager and the senior audit team member. Such presentations will provide firms with an opportunity to answer any questions the Auditor Committee may have on a firm's qualification. Not all firms may be asked to make such oral presentations.

E. Final Selection

The Auditor Committee recommend to the Town Commission in order of preference no fewer than three firms deemed to be the most highly qualified to perform the required services after considering the factors established in Section VII.C. If fewer than three firms respond to the RFQ, then the Auditor Committee shall recommend such firms as it deems to be the most highly qualified.

The Town Commission will provide a final ranking of all firms and select a firm with consideration of the recommendation of the Auditor Committee. The rate of compensation will be negotiated as provided by Section 218.391 (a), Florida Statutes.

F. Right to Reject Qualifications

The Town Commission reserves the right without prejudice to reject any or all Qualifications, or waive any deficiency or irregularity in the selection process.

APPENDIX A

QUALIFIER WARRANTIES

- A. Qualifier warrants that it is willing and able to comply with State of Florida laws with respect to foreign (non-state of Florida) corporations.
- B. Qualifier warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Qualifier warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.
- D. Qualifier warrants that all information provided by it in connection with this qualification is true and accurate.

Signature of Official:_____

Name (typed):_____

Title:_____

Firm:_____

Date:_____

APPENDIX B

SWORN STATEMENT ON PUBLIC ENTITY CRIMES SECTION 287.133, FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Lauderdale-By-The-Sea

By _____
[print individual's name and title]

For _____
[print name of entity submitting sworn statement]

whose business address is

and (if applicable) its Federal Employer Identification Number (FEIN) is _____

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____).

2. I understand that a "public entity crime" as defined in Paragraph 287.133(l)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or the United States, including, but not limited to, any bid or contract for goods and services to be provided to any public entity or an agency or political subdivision of any other state or of the United States involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(l)(b), Florida Statutes, means a finding of guilt or a conviction or a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand than an "affiliate" as defined in Paragraph 287.133(l)(a), Florida Statutes, means:
- a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents

who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(l)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an entity.
6. Based on information and belief, the statement that I have marked below is true in relation to the entity submitting this sworn statement. [Indicate which statement applies.]

_____ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list, [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signed, sealed and delivered
in the presence of:

AUDITOR

By: _____

(Printed Name)

(Title)

Witness my hand and official notary seal/stamp at _____ the day
and year written above.

STATE OF FLORIDA)
)SS:
COUNTY OF _____)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments,
personally appeared _____ as _____
of _____, an organization authorized to do business in the State of
Florida, and acknowledged executing the foregoing Affidavit as the proper official of for the use and
purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the
instrument is the act and deed of that corporation. He / She is personally known to me or has produced
_____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County
aforesaid on this _____ day of _____, 200_____.

NOTARY PUBLIC

My Commission Expires:

APPENDIX C

NON-COLLUSION AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is _____ of _____, the Qualifier that has submitted the attached Qualification;
2. He / She is fully informed respecting the preparation and contents of the attached Qualification and of all pertinent circumstances respecting such Qualification;
3. Such Qualification is genuine and is not a collusive or sham Qualification;
4. Neither said Qualifier nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Qualifier, firm or person to submit a collusive or sham qualification in connection with the Agreement for which the attached Qualification has been submitted or to refrain from qualifying in connection with such Agreement, or has in any manner, directly or indirectly, sought by agreement of collusion or communication of conference with any other Qualifier, firm, or person to fix the price or prices, or of any other Qualifier, or to fix any overhead, profit or cost element of the qualification or the response of any other Qualifier, or to secure through any collusion, connivance, or unlawful agreement any advantage against Lauderdale-By-The-Sea, Florida, or any person interested in the qualified Agreement; and

[THIS SPACE INTENTIONALLY LEFT BLANK]

5. The response to the attached RFQ is fair and proper and is not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Qualifier or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Signature (Blue ink only)

Print Name

Title

Date

Witness my hand and official notary seal/stamp at _____ the day and year written above.

STATE OF FLORIDA)
)SS:
COUNTY OF _____)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared _____ as _____, of _____, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of _____ for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this _____ day of _____, 200 ____..

NOTARY PUBLIC

My Commission Expires:

APPENDIX D

ACKNOWLEDGMENT OF ADDENDA

The Qualifier hereby acknowledges the receipt of the following addenda issued by the Town and incorporated into and made part of this RFQ. In the event the Qualifier fails to include any such addenda in the table below, submission of this form shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her.

ADDENDUM NUMBER	DATE RECEIVED	PRINT NAME	TITLE	SIGNATURE (BLUE INK ONLY)

[THIS SPACE INTENTIONALLY LEFT BLANK]

APPENDIX E
INDEPENDENCE AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is _____ of _____, the Qualifier that has submitted the attached Qualification;
2. (a) Below is a list and description of any relationships, professional, financial or otherwise that Qualifier may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years.

(b) Additionally, the Qualifier agrees and understands that Qualifier shall give the Town written notice of any other relationships professional, financial or otherwise that Qualifier enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of this Agreement.

(If paragraph 2(a) above does not apply, please indicate by stating, "not applicable" in the space below.)

[THIS SPACE INTENTIONALLY LEFT BLANK]

6. I have attached an additional page to this form explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in the RFQ.

Signature (Blue ink only)

Print Name

Title

Date

Witness my hand and official notary seal/stamp at _____ the day and year written above

STATE OF FLORIDA)
)SS:
COUNTY OF _____)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared _____ as _____, of _____, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of _____ for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this _____ day of _____, 200_____.

NOTARY PUBLIC

My Commission Expires:

Town of Lauderdale-By-The-Sea
4501 Ocean Drive
Lauderdale-By-The-Sea, Florida 33308-3610

Memorandum

To: Esther Colon, Town Manager

C: Kaola King, Director of Finance and Budget

From: June White, Town Clerk *ewj*

Date: January 14, 2010

Re: RFQ 09-12-02 Auditing Services - January 19, 2010 - 2:00 P.M.

At the opening for RFQ 09-12-02 I received the following five (5) responses:

Harvey, Covington & Thomas, LLC
Marcum Rachlin Accountants
Moore Stephens Lovelace, P.A.
GLSC & Company, PLLC
Keefe, McCollough & Co., LLP

After the opening, at 2:15 p.m. we received a package from Grau & Associates. The package was returned unopened as per page 19, section 4a of the purchasing manual.

Thank you

RFQ'S RECEIVED

Harvey, Covington & Thomas, LLC



ORIGINAL

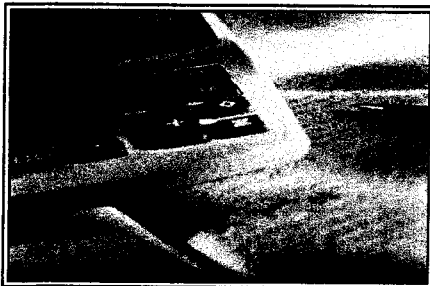


Lauderdale-By-The-Sea

Request for Qualifications for Professional Auditing Services



Presented on January 11, 2010 by
Harvey, Covington & Thomas, LLC



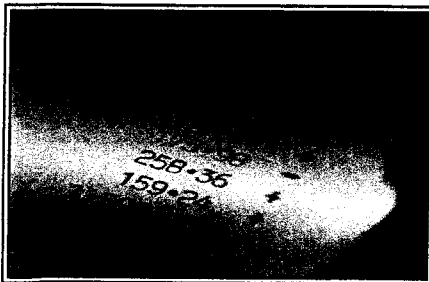
Contact Person

Roderick Harvey, CPA, CVA

Telephone: (954) 966-4435

Facsimile: (954) 962-7747

E-Mail: rharvey@hctcpas.com



Headquarters

3816 Hollywood Boulevard, Suite 203
Hollywood, Florida 33021

Office Locations

Hollywood • West Palm Beach • Orlando • Daytona Beach • Tallahassee



Table of Contents

Transmittal Letter

Transmittal Letter	i
--------------------------	---

Detail Qualifications

1. Licenses to Practice in Florida	1
2. Independence.....	2
3. Firm Qualifications and Experience	3
4. Partner, Supervisory and Staff Qualification and Experience	8
5. Similar Engagements with Other Governmental Entities	12
6. Specific Audit Approach	15
Segmentation of the Engagement	
Level of Staff to be Assigned to Each Segment	
Type and Extent of Analytical Procedures	
Approach to Understanding the Town's Internal Control Structure	
Approach to Determining Law & Regulations	
Audit Samples for Purposes of Tests of Compliance	
7. Identification of Anticipated Potential Audit Problems.....	23

Attachments

Curriculum Vitae
Letters of Good Standing (AICPA and FICPA)
Licenses and Certificates
Miami Herald Article

Appendices

Appendix A: Qualifier's Warranties
Appendix B: Public Entity Crimes Statement
Appendix C: Non-Collusion Affidavit
Appendix D: Acknowledgement of Appendix
Appendix E: Independence Affidavit

Transmittal Letter

HCT

HARVEY, COVINGTON & THOMAS, LLC

January 11, 2010

Members of the Auditor Selection Committee
Request for Qualification No. 09-12-02
Town of Lauderdale-By-The-Sea

Members of the Committee:

Thank you for the opportunity to present our firm's qualifications to the Town of Lauderdale-By-The-Sea (the "Town"). This letter will outline our understanding of the services to be provided within the designated time period; our commitment to perform these services; our firm's contact representative/engagement partner; and, a brief summary of our qualifications and the value you will receive by selecting Harvey, Covington, & Thomas, LLC ("HCT") to provide audit and related services for the Town.

Understanding of the Services to Be Provided

We are proposing to provide financial and compliance audits in order to express an opinion on the fair presentation of the Town's basic financial statements in conformity with generally accepted accounting principles (GAAP). We shall not be required to audit the Management's Discussion and Analysis, other Required Supplementary Information or the Statistical section of the reports. While not required, HCT will, however, perform certain analytical and limited testing procedures to ensure such information appears compliant with GASB requirements.

The scope of the work will include,

- an opinion on the combined and individual fund statements in relation to the basic financial statements;
- the preparation of a Management Letter with appropriate suggestions for improvement of accounting procedures and internal controls for the Town Council's consideration; and,
- preparation of the financial statements and related notes to the financial statements.

This agreement is for the audit engagement for the fiscal year ending September 30, 2010, with the option to audit the Town financial statements for each of four (4) subsequent fiscal years.

Commitment to Perform These Services

We are committed to performing the engagement pursuant to the time lines set forth by the Town's RFQ No. 09-12-02, or as required by Management, as documented below.

For the fiscal year ending September 30, 2010 and subsequent years thereafter:

- Interim work would commence upon execution of the contract with the Town, projected to be around July 1, for the fiscal year ending September 30, 2010.

Transmittal Letter continued

- HCT shall work with the Finance staff to develop a detailed audit plan by September 15, 2010 – 2014. Such plan would include a final list of all schedules to be prepared by Town staff before field work begins.
- Field work would commence in late October and be completed by January 15, 2011 – 2015.
- All required financial statements, with accompanying notes and disclosures would be presented with the audit reports and recommendations by February 15, 2011 – 2015.
- At a minimum, the following conferences would be held with the key Town personnel and HCT Management by the dates stated:
 - No later than October 30, 2010 – 2014: Annual Preliminary conference (Entrance Conference) with the key Town personnel
 - At least two progress conferences with the key Town designee
 - Within two weeks of the issuance of the CAFR and VFD Pension Audit Report: Exit conference with the Town Manager and the Director of Finance
 - Date to be determined: Presentation of final reports and financial statements.

Firm's Engagement Partner and Contact Representative

HCT Partner, Roderick Harvey, CPA, CVA, will act as the Engagement Partner. As the Engagement Partner, he is authorized to make representations for the proposer. Mr. Harvey is based out of the Hollywood Florida office located at 3816 Hollywood Boulevard, Suite 203, Hollywood, Florida 33021. He can be reach telephonically at (954) 966-4435 and at rharvey@hctcpas.com via email. Mr. Harvey has extensive experience with South Florida Municipality audits. Please see his Resume included in Attachment Section for a complete listing of his governmental experience and clients.

Qualifications to Perform the Engagements

Among other reasons, and as demonstrated within our Proposal, HCT is highly qualified to perform the audit engagements for the Town as demonstrated below:

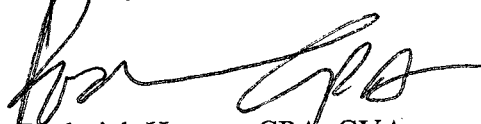
- HCT has over 100 years of combined experience serving governmental and non-profit clients. Not only is our professional staff highly experienced in providing auditing services to governmental organizations, we *specialize* in this area! We have industry practice guides and training programs developed specifically for servicing governmental entities as well as expert contacts within State and Federal oversight authorities (The Auditor General, various Federal Grantor Agencies, etc.)
- HCT has a history of providing quality professional auditing services to an impressive list of public sector clients, including governmental municipalities, organizations, component units, etc. We have recently performed CAFR and Single Audit engagements for five municipalities, all of whom have received, or expect to receive, their GFOA Certificate of Achievement. Several of these local governments achieved the award directly through our assistance. Please see the Attachment Section for documentation of this experience as presented in the Miami Herald newspaper.
- HCT has assisted many clients in not only maintaining the GFOA Certificate of Achievement, but have also assisted clients in their *first time award*.

Transmittal Letter continued

The professionals at HCT are committed to providing the Town with the highest customer service and open, continuing communication. The Town will benefit not only from our technical experience, but also our dedication to providing value-added advice and assistance. We vow to be sensitive not only to the Town's unique environment, but to serve in a "team-oriented" capacity by remaining sensitive to the Town's Management and Staff time and resources. Thank you for your consideration.

The attached qualification proposal constitutes a firm and irrevocable offer for ninety (90) days from the bid opening date.

Sincerely,



Roderick Harvey, CPA, CVA
Managing Partner

Town of Lauderdale-By-The-Sea

Detailed Qualifications

1. License to Practice in Florida

Harvey, Covington & Thomas, LLC (HCT) is licensed to engage in the practice of public accountancy in accordance with Florida Statutes §473, License #AD64719. All Assigned supervisory professional staff are properly licensed to practice in Florida and qualified to perform governmental audits. The licenses for the supervisory professional staff may be found in the Attachment section.

HCT is a Limited Liability Corporation with five (5) offices throughout the State of Florida. The offices are located in Hollywood, Orlando, West Palm Beach, Tallahassee and Daytona Beach. HCT is the result of a merger of three firms: Sabrina D. Covington, CPA, Thomas & Carr, LLC and Harvey, Branker & Associates, LLC. *HCT has practiced public accounting for the governmental and not-for-profit sectors for over ten years (since 1999).*

AC# 4691330		STATE OF FLORIDA	
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION		BOARD OF ACCOUNTANCY	
SEQ# L09102701677			
DATE	BATCH NUMBER	LICENSE NBR	
10/27/2009	090204463	AD64719	
The ACCOUNTANCY CORPORATION			
Named below IS LICENSED			
Under the provisions of Chapter 473 FS.			
Expiration date: DEC 31, 2011			
HARVEY COVINGTON & THOMAS LLC			
3816 HOLLYWOOD BOULEVARD			
HOLLYWOOD FL 33021			
CHARLIE CRIST GOVERNOR		CHARLES W. DRAGO SECRETARY	
DISPLAY AS REQUIRED BY LAW			

HCT is a legal and licensed entity in the State of Florida. The Local Hollywood Office is owned and managed by Roderick Harvey, CPA, CVA.

Detailed Qualifications

2. Independence

We certify that the firm is a member in good standing of the American Institute of Certified Public Accountants and that the firm is independent from the Town.

The second General Standard of Generally Accepted Auditing Standards (GAAS) as issued by the AICPA requires that,

"The auditor must maintain independence in mental attitude in all matters related to the audit."

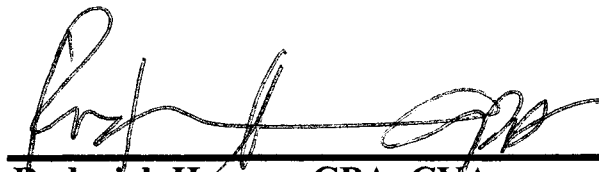
Further, the U.S. Government Accountability Office (GAO) issued *Government Auditing Standards* ("The Yellow Book"), as revised in July 2007, is the source for generally accepted government auditing standards (GAGAS), which are required to be followed by auditors. GAGAS provides a framework for conducting high quality government audits with competence, integrity, objectivity, and independence.

As related to independence, HCT affirms that, in all matters relating to the audit work, both HCT and the individual auditors assigned to the Town's engagement are free both in fact and appearance from personal, external, and organizational impairments to independence. HCT and the professionals of our organization comply with The Yellow Book and with GAAS requirements for all auditing requirements, including the requirement for independence.

Neither HCT nor its staff has entered into any relationships involving the Town, its elected or appointed officials, its employees or agents or any of its agencies or the Town's Component Units.

HCT employees are required to sign a "Personal Independence Confirmation" upon hire. The Confirmation is updated annually.

HCT and its members are independent of the Town of Lauderdale-By-The-Sea, as defined by generally accepted auditing standards.



Roderick Harvey, CPA, CVA
Partner in Charge

January 11, 2009

Detailed Qualifications

3. Firm Qualifications and Experience

HCT has 25 full-time professional employees with 18 professionals assigned to the governmental and not-for-profit audit department. **Our South Florida Office in Hollywood will be the contact location for purposes of this proposal and the office from which the engagement will be based.**

The South Florida/Hollywood office is located at 3816 Hollywood Boulevard, Suite 203, Hollywood, Florida 33021. The location is convenient to the Town and Auditors will be readily available to key Town personnel pursuant to requirements as described below and also on an "as needed" basis.

There will be five (5) professionals employed on this engagement: an Engagement Partner (Roderick Harvey), a Concurring Review Partner (Sabrina Covington), an Engagement Manager (Connor C. Courtemanche), a Senior Auditor (Tamara Baker) and a Staff Auditor (Ken Sinclair). The professional staff assigned to this audit will be solely dedicated to performing the Town's engagements during the time period assigned by the HCT Engagement Partner. See Section 4 on the following pages for Qualifications and Experience of Assigned Staff and the Attachment section for Resumes, certifications and memberships documentation.

- **Engagement Partner – 8%**
- **Concurring Review Partner – 3%**
- **Engagement Manager – 25%**
- **Senior Auditor – 36%**
- **Staff Auditor (s) – 28%**

There will be no part-time employees assigned to the Town's audit engagement.

Harvey, Covington & Thomas, LLC will serve as the principal and sole auditor on the Town's audit engagement.



Detailed Qualifications

3. Firm Qualifications and Experience *continued*

Peer Review

HCT underwent our last peer review per AICPA standards in November 2007. Because we focus almost exclusively in the governmental and not-for-profit realm, **the Peer Review included recent governmental engagements.** See below for AICPA Peer Review Program Certificate of Recognition and Peer Review Letter.




Town of Lauderdale-By-The-Sea

Detailed Qualifications

3. Firm Qualifications and Experience *continued*

Peer Review Letter Page 1

 INFANTE & COMPANY	
CERTIFIED PUBLIC ACCOUNTANTS • BUSINESS CONSULTANTS	
Members of: <ul style="list-style-type: none">American Institute of CPAs<ul style="list-style-type: none">• Center for Public Company Audit Firms• Tax Division• Personal Financial Planning SectionFlorida Institute of CPAsNational Association of Certified Public Accounting Firms	Harrison Executive Centre • Suite 808 1930 Harrison Street Hollywood, Florida 33020 Telephone (954) 822-8888 Fax (954) 822-8884 www.infanteccpas.com icpas@aol.com
November 6, 2007	
To The Members Harvey, Covington & Thomas, LLC	
<p>We have reviewed the system of quality control for the accounting and auditing practice of Harvey, Covington & Thomas, LLC (the "Firm") in effect for the year ended June 30, 2007. A system of quality control encompasses the Firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the Firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the Firm's compliance with its system of quality control based on our review.</p> <p>Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the Firm's accounting and auditing practice, and the design of the Firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the Firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others, an engagement performed under <i>Governmental Auditing Standards</i> and an audit of an Employee Benefit Plan. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.</p> <p>In performing our review, we obtained an understanding of the system of quality control for the Firm's accounting and auditing practice. In addition, we tested compliance with the Firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the Firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness</p>	

Detailed Qualifications

3. Firm Qualifications and Experience *continued*

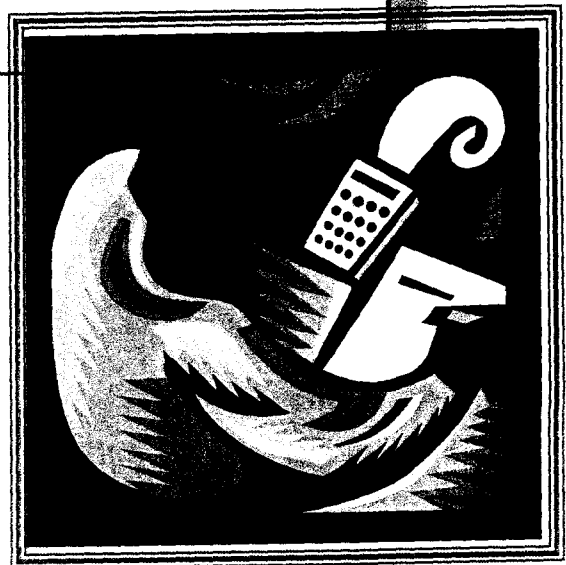
Peer Review Letter Page 2

of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Harvey, Covington & Thomas, LLC in effect for the year ended June 30, 2007, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the Firm with reasonable assurance of conforming with professional standards.

As is customary in a system review, we have issued a letter under this date that sets forth comments that were not considered to be of sufficient significance to affect the opinion expressed in this report.

Winfette & Company



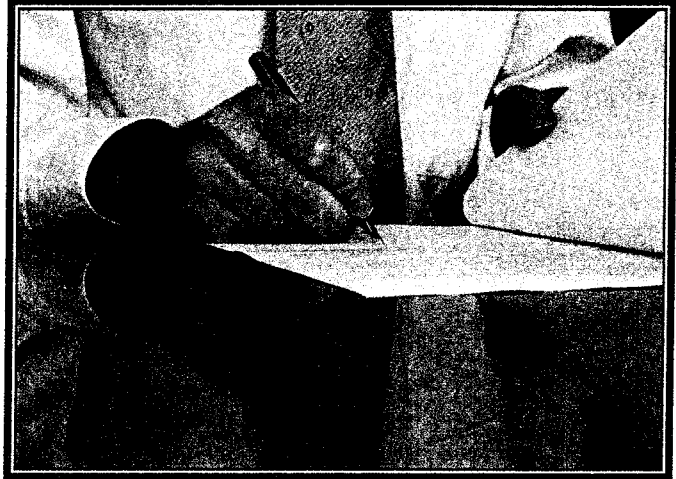
Detailed Qualifications

3. Firm Qualifications and Experience *continued*

Reviews, Disciplinary Actions & Litigation

Federal and State Desk Reviews:

There have not been federal or state desk reviews or field reviews of HCT audit engagements or field reviews of our auditors, within the last three years, or ever.



Disciplinary Actions:

There have never been disciplinary actions taken by state or federal regulatory bodies or by professional regulatory organizations against HCT, HCT Partners, Managers, or staff, either in the past or pending. Further, ***we are not the subject of, nor have we ever been, a party to litigation.***



Detailed Qualifications

4. Partner, Supervisory and Staff Qualifications and Experience

The Engagement Partner, **Roderick Harvey**, will be directing the audit and holds the following licenses: **State of Florida CPA license #AC 30015 CVA (Certified Valuation Analyst) license #030111**. Mr. Harvey has over 15 years of auditing and consulting experience in the governmental and not-for-profit realm. He will serve as the primary point of contact and responsible for all audit deliverables. The Engagement Partner acts as the primary contact with officials of the Town to assure open and effective channels of communication. He will maintain knowledge of all current activities and future plans of the Town so that he can assist in the coordination of the total services to be provided to the Town. Responsibilities will include keeping abreast of important developments concerning federal and state governments that would directly affect the Town, coordinating the total services to be provided to the Town through continuous communication with the Town's Director of Finance and members of the engagement team; determining the content of the external auditing reports and ascertaining that professional standards have been complied with throughout the engagement; and directing and controlling the efforts of all personnel assigned to the engagement. Roderick has over 15 years of government auditing experience. He has provided services to numerous municipalities, counties and other governmental entities. He has in-depth knowledge of OMB circular A-133 and Florida Single Audit Act Statutes.

The Concurring Review Partner, **Sabrina Covington**, works out of the Central Florida office and is a **Certified Public Accountant in the State of Florida – License #AC 0032826**. Ms. Covington has over 15 years experience in public accounting and 5 years of experience auditing governmental entities. She has performed internal control audits and implemented various accounting systems for local governments. Ms. Covington will act as the Concurring Review Partner and will be responsible for providing technical assistance, if needed, and performing the final over-all quality control review

The Engagement Manager, **Connor Courtemanche**, has been **certified as a CPA in the State of Arizona, Certificate No. 10403-E**, and is a **Certified Government Financial Manager, Certificate No. 5710**. Ms. Courtemanche has extensive Single Audit and Local Governmental Audit experience, having served over ten years in governmental audit and within government as Controller of the Arizona Department of Revenue. Ms. Courtemanche has been charged with oversight of all Governmental engagements for the Firm.

Connor will serve as the Engagement Manager and will be the secondary point of contact. She will coordinate the efforts of all the engagement segments and other compliance matters. She will also be responsible for coordinating the reporting. Connor will be available to the Town on a continuous basis. She will be responsible for developing and coordinating the overall external audit work plans under the direction of the engagement partner. As engagement manager Connor supervises HCT personnel and performs in-depth reviews of all pertinent workpapers and reports. She possesses a thorough knowledge of financial statement and Single Audits and

Detailed Qualifications

4. Partner, Supervisory and Staff Qualifications and Experience *continued*

accounting internal control requirements and will closely monitor the daily progress of the audit. In addition, she will be coordinating the audit process by bringing technical or sensitive issues to the attention of the engagement partners and your department's personnel and assisting in their resolution.

Connor has over 15 years of government auditing and financial management experience. She has performed audits on many governmental entities, from State Agencies, Municipalities, Counties, Colleges, and School Towns. She has substantial experience in planning, performing, supervising, reviewing, and preparing financial statements related to the audits of governmental entities subject to governmental auditing standards, Federal and Florida Single Audit requirements. Connor specializes in Single Audit engagements, and, having worked for the Auditor General of the State of Arizona, on numerous Florida governmental audits and operational engagements.

Tamara Baker, received her Bachelor's Degree in accounting from St. Thomas University in 2008. She is currently pursuing a Master's Degree in Accounting and is expected to graduate in 2011. Tamara will serve as the Senior Auditor on this engagement. Ms. Baker has been performing governmental engagements for over two year. Ms. Baker has a proven record of completing engagements timely. She will be responsible for coordinating all segments of the engagement, including but not limited to data collection, consultations and meetings with the Town staff, following the audit plan and reporting all findings to the engagement team. Ms. Baker will be responsible for performing the initial testing, data collection and field work. She has substantial experience in preparing financial statements related to the audits of governmental entities subject to governmental auditing standards, Federal Single Audit requirements, and Florida Single Audit requirements. She has two years of experience in the governmental auditing sector.

Ken Sinclair, received his Bachelor's Degree in Accounting from Florida International University in 2007. He is currently pursuing a Master's Degree in Accounting and is expected to graduate this year. He is pursuing his CPA certification and has received passing scoring on three sections of the exam. Ken will serve as the staff auditor for this engagement. He will follow the audit plan and report all findings to the engagement team. Mr. Sinclair will be responsible for assisting with performing the initial testing, data collection and field work. He primarily works with the firm's governmental agencies.

HCT assures the Town that the audit will be directed by a CPA licensed in the State of Florida. Additionally, all assigned professionals have completed the required continuing education requirements pursuant to the Yellow Book as demonstrated in the attached resumes in the Attachment Section.

Detailed Qualifications

4. Partner, Supervisory and Staff Qualifications and Experience *continued*

Engagement Staff Rotation

Audit personnel may be changed at the discretion of HCT, provided that replacements have substantially the same or better qualifications or experience. HCT's foremost consideration is to ensure the best interest of our clients. To this end, our staff rotation policy is to maintain continuity on engagements from year to year whenever possible. However, to ensure that the engagement team also remains dynamic, and to help ensure future continuity and maintain our knowledge of the entity, we also prefer to assign at least one new staff member per year. The Town can be assured of seeing known management and supervisory personnel while obtaining the benefit of meeting our sharpest staff level professionals.

HCT affirms that all engagement staff complies with Continuing Professional Education ("CPE") requirements of the Florida Board of Accountancy and *Government Auditing Standards*. All HCT staff meets the requirements for the Yellow Book standards and are experienced in governmental auditing. Certificates of attendance are available upon request. The table below lists the number of CPE hours earned for each engagement staff member in the past three (3) years.

Professional	Role	CPA Status	Years of Gov't Auditing Exp.	No. of CPE in the past 3 yrs.
Roderick Harvey	Engagement Partner	CPA, CVA	15	232
Sabrina Covington	Concurring Review Partner	CPA	15	216
Connor Courtemanche	Engagement Manager	CPA	15	122
Tamara Baker	Senior Auditor		3	48
Ken Sinclair	Staff Auditor	Pursuing	2	12

Detailed Qualifications

4. Partner, Supervisory and Staff Qualifications and Experience *continued*

Relevant CPE courses that have been taken within the last four (4) years by members of the engagement team are listed below:

- | | |
|--|---|
| 1. Not For Profit Organizations: Accounting Considerations | 12. Yellow Book Revisions and Emerging Issues |
| 2. Not For Profit Organizations: Current Developments | 13. Transparency in Government |
| 3. Florida Single Audit Act | 14. Risk Assessment Standards |
| 4. Auditing Update | 15. FASB Update |
| 5. Auditing (Governmental) | 16. GASB Update |
| 6. SAS Update | 17. XBRL |
| 7. CIRA Update | 18. Risk Assessment Standards |
| 8. Top Ten Peer Review Issues | 19. Expand Your Attest Services with Agreed-Upon Procedures |
| 9. Impact of Sarbanes-Oxley on Non Profits | 20. Yellow Book Revisions and Emerging Issues |
| 10. Audit Committee Responsibilities | 21. Looking for Fraud? What will you do when you find it? |
| 11. SSARS Update | |

Detailed Qualifications

5. Similar Engagements with Other Governmental Entities

HCT has significant current experience in serving many governmental and non-profit entities throughout the state of Florida. Few firms in Florida can provide you with the in-depth experience in serving local governments as that found in HCT's professionals.

HCT performed financial statement audits for each of the municipalities listed. In performing services, we have provided a full range of services which include operational and fiscal suggestions on improving the efficiency of the governmental agencies. As a part of our review of the Single Audit of their federal financial assistance programs, we provided an in-depth review of their direct and indirect-cost allocation plans. Our review consisted of, but was not limited to, gaining an understanding of the components, highlighting any inconsistencies, and making recommendations on the allocations established by management.

Client Name & Location:	The City of Lauderhill, Florida
Contact:	Kennie Hobbs Telephone: 954-730-3044 5581 West Oakland Park Boulevard Lauderhill, Florida 33313
Scope of Work Summary	Financial Statement Audit, Single Audit, GASB 45 & 48
Length of Assignment:	2003 - Current
Total Hours Utilized:	850 hours
Project Team:	Roderick Harvey, Engagement Partner Adrian Liburd, Engagement Manger Scotia Powell, Senior Auditor Merrewilned Mondesir, Staff Accountant Mina Razavi, Staff Accountant
Client Name & Location:	Lauderhill Housing Authority
Contact:	Kennie Hobbs Telephone: 954-730-3044 5581 West Oakland Park Boulevard Lauderhill, Florida 33313
Scope of Work Summary	Financial Statement Audit and Single Audit
Length of Assignment:	2002 - current
Total Hours Utilized:	250 hours
Project Team:	Roderick Harvey, Engagement Partner Connor Courtemanche, Engagement Manger Tamara Baker, Senior Auditor Ken Sinclair, Staff Accountant

Town of Lauderdale-By-The-Sea

Detailed Qualifications

5. Similar Engagements with Other Governmental Entities *continued*

Client Name & Location:	The City of Lauderdale Lakes, Florida
Contact:	Larry Tibbs Telephone: 954-535-2713 Ext. 2341 4600 NW 36 th Street Lauderdale Lakes, Florida 33319
Scope of Work Summary	Financial Statement Audit, Single Audit, GASB 45 & 48
Length of Assignment:	2003 - Current
Total Hours Utilized:	775 hours
Project Team:	Roderick Harvey, Engagement Partner Scotia Powell, Senior Auditor Merrewilned Mondesir, Staff Accountant Mina Razavi, Staff Accountant Tamara Baker, Staff Accountant
Client Name & Location:	The City of Riviera Beach, Florida
Contact:	Jeffrey Williams Telephone: 561-845-2412 600 West Blue Heron Boulevard Riviera Beach, Florida 33404
Scope of Work Summary	Financial Statement Audit and Single Audit
Length of Assignment:	2008 - Current
Total Hours Utilized:	600 hours
Project Team:	Roderick Harvey, Engagement Partner Connor Courtemanche, Engagement Manager Scotia Powell, Senior Auditor Yipcys Moreno, Staff Accountant Tamara Baker, Staff Accountant

Detailed Qualifications

5. Similar Engagements with Other Governmental Entities *continued*

Client Name & Location:	The City of Miami Gardens, Florida
Contact:	Patricia Varney Telephone: 305-622-8000 Ext. 2341 1515 Northwest 167 th Street, Building 5, Suite 200 Miami Gardens, Florida 33055
Scope of Work Summary	Financial Statement Audit, Single Audit, GASB 45 & 48
Length of Assignment:	2008 - 2011
Total Hours Utilized:	800 hours
Project Team:	Roderick Harvey, Engagement Partner Scotia Powell, Senior Auditor Merrewilned Mondesir, Staff Accountant Mina Razavi, Staff Accountant Tamara Baker, Staff Accountant
Client Name & Location:	The City of Miami, Florida - Civilian Investigative Panel
Contact:	Carol Abia Telephone: 305-416-1366 444 Southwest 2 nd Avenue Miami, Florida 33313
Scope of Work Summary	Financial Statement Audit and Single Audit
Length of Assignment:	2004 - Current
Total Hours Utilized:	650 hours
Project Team:	Roderick Harvey, Engagement Partner Scotia Powell, Senior Auditor Yipcys Moreno, Staff Accountant Tamara Baker, Staff Accountant

Detailed Qualifications

6. Specific Audit Approach

Top-Level Analysis: We work with you to ensure we understand the internal forces that affect you, the expectations of the Town, stakeholders/customers, as well as objectives, and key business issues and risks within each program or department being audited.

Risk Assessment: We profile key business risks, the factors most important to your strategic and financial success. We measure those risks, identify processes to address and control them, and assess the adequacy of these processes. Audit strategy is determined consistent with the Town's particular environment.

Division / Departmental Process Overview: We investigate the key processes for achieving objectives, including the programs or the Town's strategy and policy processes, core operating processes, and resource management processes.

Departmental Operational Measurement: We obtain effective audit evidence to form our conclusion by program or department by concentrating our efforts on the areas at risk, performing tests of controls and other audit procedures, utilizing existing management reports and analyzing performance compared to budget and other entities. Audit procedures utilize operational, efficiency, financial and non-financial performance measures.

Recommended Operational or Performance Improvement: We strive to identify opportunities for improved performance by comparing operational, financial and non-financial performance measures to peer entities and industry trends. In addition, the HCT team reviews its performance with a view toward continually improving service delivery.

Detailed Qualifications

6. Specific Audit Approach *continued*

Proposed Segmentation of Engagement

On the following pages, HCT has documented the proposed audit approach, including a general work plan, level of staffing, an explanation of audit methodology, and other requested information related to the audit approach. Please note that, as this is a general work plan, it will be subject to change depending on varying audit issues. For example, if Auditors find that controls are not in place, or are not functioning, pursuant to COSO, GASB standards, and/or OMB Circular A-133 requirements, then tests of controls will not be performed and increased substantive work will be required.

Preliminary Planning

- Research of Laws and Regulations
- Obtain and review all agreements, including third party agreements, grant agreements, etc.
- Review of any Identified Significant Deficiencies as communicated by Management Review of Reports issued by the Auditor General and/or other Agencies, Grantors, etc.
- Preparation of Planning documentation
- Preliminary Analytics
- Preliminary Identification of areas testwork
- Determination of the necessity of a Single Audit and identification of Major Programs

LEVEL OF STAFF: Managing Partner, Audit Manager and Senior Auditor

Tests of Controls

- Gain an understanding and document control procedures
- Perform IT testing required pursuant to SAS requirements
- Assess preliminary Control Risk, Detection Risk, and Inherent Risk
- Develop programs to test identified and documented Controls
- Select Samples (utilize statistical sampling to provide for a confidence rate of at least 90 percent) However, given our understanding on the nature of the transactions from prior and current years, it appears that there are only a few, high dollar amount invoices each month and these are on a percentage of completion basis. Therefore, we will likely document controls, perform "walk throughs" and perform the majority of our work as substantive testing
- If necessary begin testing for Single Audit/ utilize dual testwork, maintaining adequate sample sizes
- Perform final assessment of Control Risk based on results of test work

LEVEL OF STAFF: Audit Manager, Senior Auditor and Staff Auditor

Substantive Testwork (Final Testwork)

- Testing of compliance with appropriate Laws and Regulations
- Determine materiality levels and areas for tests of balances.

Detailed Qualifications

6. Specific Audit Approach *continued*

Substantive Testwork (Final Testwork) continued

- Adjust plan as required based on results of Tests of Controls (anticipate reduced substantive work)
- Read minutes
- Search for unrecorded liabilities
- Send Confirmations for the bank accounts
- Select samples for testing based on the AICPA "Sampling Guide" for tests of balances performed during substantive testwork – if applicable
- Perform final Analytics
- Review and verify implementation of any new GASBs or other reporting requirements
- Perform Final Analytics required per SAS's
- Verify the status of and follow up on Prior Year Findings (Years subsequent to the 2008 engagement)
- Search for Related Parties

LEVEL OF STAFF: Audit Manager, Senior Auditor and Staff Auditor

Post-fieldwork Tasks

After the end of field work, examples of tasks to be performed include the following audit work:

- Report writing
- Post-fieldwork coordination with Management related to Report drafts, findings, recommendations, etc.
- Perform Financial Assessment
- Perform GFOA or Auditor General Check list, as applicable
- Print and Bind the Report
- Partner Reviews
- Complete Data Collection Forms

LEVEL OF STAFF: Partners (Managing and Concurring Review), Audit Manager and Senior Auditor

Timing of Engagement

HCT will time the engagement to meet deadlines no later than required by the RFQ and as outlined below. However, at the Town's discretion, our goal is to complete the audits earlier and provide an earlier submission of the final reports.

Detailed Qualifications

6. Specific Audit Approach *continued*

Sample Sizes

HCT utilizes several tools when selecting samples, in addition to considering sample sizes as suggested by the PPC as tailored for each individual client, we also utilize the AICPA Audit Guide for Audit Sampling as of May 1, 2008.

HCT will utilize statistical and nonstatistical sampling when performing various testwork, as appropriate.

During tests of controls, we will utilize attributes sampling to verify documented controls are in place and functioning for each major transaction cycle. The purpose of the controls testwork is to test the deviation rate of a control to support our initial assessment of control risk. Because we would like to support a low level of control risk, and therefore decrease the level of testing required in substantive (or "final" testwork), our samples will be randomly selected, with each item of the defined population having an equal chance of selection. We will verify the population is "complete" and that the sample is representative of the population, e.g., that the sample expresses the same characteristics of the population based on such factors as fund type, number of transaction types, processing methodology, etc.

Sample sizes will generally be based on the assumption of a 95% confidence level and an expected deviation rate of zero. Depending on the tolerable deviation rate, our sample sizes will vary from 36 items to 59 items selected for testwork. If a "deviation" is found, or the deviation rate exceeds our tolerable error rate, Auditors will consider whether the deviation represents an isolated incident, consider increasing the sample size to allow for the appropriate deviation rate, or consider assessing control risk at greater than low and increase substantive work for that particular control and related financial statement assertion(s). It should be noted that for smaller populations, sampling strategy will differ somewhat as dictated by the AICPA Sampling Guide. In addition to the statistical sampling, Auditors will also judgmentally select individually significant items. For example, this sample could include all payroll payments of "round amounts" or above a specific dollar amount.

For substantive testwork, Auditors will utilize statistical and nonstatistical sampling. For example, if adequate coverage (at least 85%) can be obtained by selecting significant transactions for a material line item, those items will be tested. However, if a material line item is comprised of a large number of small dollar transactions, we will utilize statistical sampling. If necessary, after analyzing the population, we will stratify the population to ensure adequate coverage and compliance with statistical requirements. When determining sample size, we will consider the risk of material misstatement, allowable risk of incorrect acceptance and incorrect rejection, etc.

We will generally allow for a confidence level of 80%, depending on the results of our tests controls, the confidence level may result in a higher or lower sample size. Sample sizes for

Detailed Qualifications

6. Specific Audit Approach *continued*

substantive testwork, or "tests of balances" typically vary between 33 and 54 items selected for testwork, depending on the tolerable misstatement (or materiality levels).

In all cases, we prefer to utilize a random number generator to select samples so that we limit the risk of a biased selection. For example, the population may consist of all payroll check numbers generated during the year, disbursement check numbers, all voucher numbers, etc. To ensure the population is complete, we will agree the beginning check number, voucher number, etc., to ensure it is sequential to the ending number of the prior fiscal year and that the ending number is sequential to the next item in the following fiscal year (or period designated for testing in the case of interim testing).

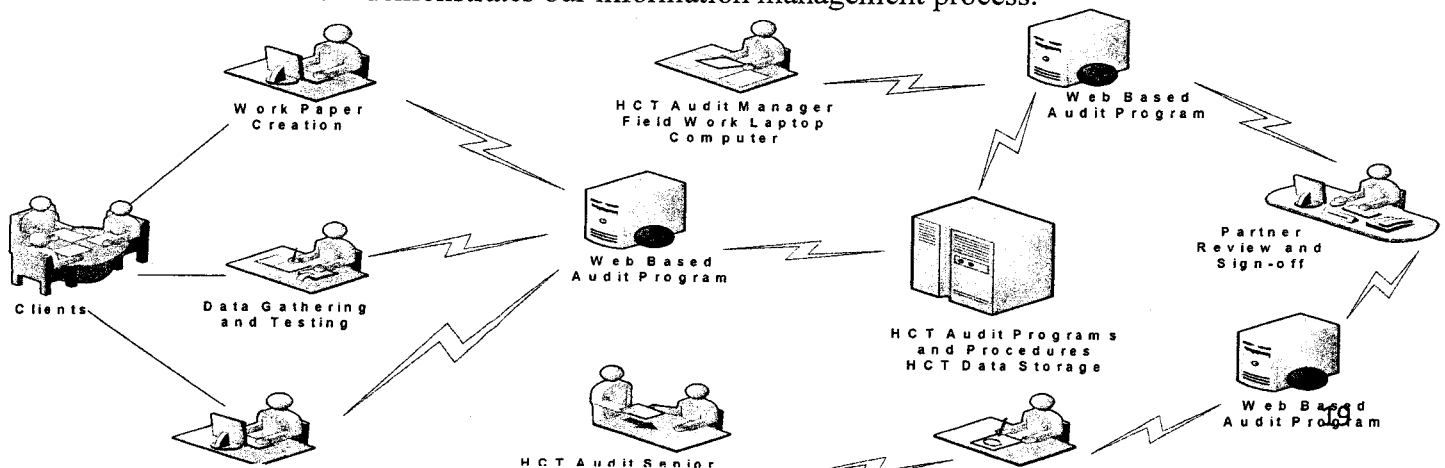
Extent of Use of EDP Software on Engagements

Information management has become a vital process in both public and private entities. Although the systems used to gather, sort and distribute information are becoming more sophisticated, the chance of system malfunction is also rising, a risk that could have major ramifications. Due to the significance of this risk, members of the engagement team have System-Data Risk Management experience. Our senior auditor will evaluate the electronic data processing general controls within the computer environment as specifically related to the information flows and will advise the other engagement team members as to how the EDP system affects the planned audit procedures.

The senior auditor would then perform specific tests and prepare a written document addressing procedures, processes, and controls. All professionals assigned to the engagement have received extensive training (provided to all HCT professionals) in computer skills.

In addition, our audit IDEA software will be used to analyze data for integrity in input, processing and output, and interfacing. We use complementary tools for results comparison when necessary. HCT's information technology auditors perform data analysis to verify the accuracy of client data, whether text or numerical. They manipulate client data to create randomly generated samples so they can identify errors and risk to the client's organization.

The flowchart below demonstrates our information management process.





Detailed Qualifications

6. Specific Audit Approach *continued*

Type and Extent of Analytical Procedures

We perform analytical procedures as required as a part of the overall planning process, during our substantive testing and again at the end of field work as a part of our overall Partner review. During planning, we analyze the major transaction cycles and the types of transactions comprising those cycles in order to determine testing procedures. During substantive work, we analyze line item amounts using trend analysis, percentage of total, and percentage change between years, on a fund by fund basis. For some engagements we utilize standard deviations to determine outstanding material line items that appear to deviate from expected norms. Prior to analysis, we develop expectations based on discussions with the client, questionnaires and other methods. Additionally, depending on results of controls, we often utilize analytics in conjunction with detailed testing of account balances. For example, Payroll and salaries and benefits expenditures are especially subject to analysis as, given the full time equivalent employees, it is rather simple to develop an expected balance and compare that balance with the actual reported amounts. Further employee related expenditures, such as worker's compensation, insurance benefits, and unemployment taxes, etc., generally fall within a specific range as a percent of total payroll.

After fieldwork, the Partner in Charge and Audit Manager analyze the financial statements for any inconsistencies or apparent misstatements. Further, during our Financial Assessment as performed for reporting to the Auditor General, we will analyze the Town's performance in terms of comparable entities.

Approach to Understanding the Town's Internal Control Structure

Pursuant to SAS No. 105, "Amendment to Statement on Auditing Standards No. 95", Generally Accepted Auditing Standards, the scope of understanding necessary has been expanded from mere "internal control" to "the entity and its environment, including its internal control."

Further, the quality and depth of the understanding to be obtained is emphasized by amending its purpose from "planning the audit" to "assessing the risk of material misstatement of the financial statements whether due to error or fraud and to design the nature, timing and extent of further audit procedures."

Therefore, we are required to understand and document internal controls from the attitude of top level management to the specific procedures applied to processing the smallest cash receipt. We believe that because we audit public entities, we are held to an even higher standard of control understanding and testing. This is why we perform extensive tests of controls prior to performing final field work.

Detailed Qualifications

6. Specific Audit Approach *continued*

To gain an understanding and document internal controls of the Town, we will also follow the COSO requirements as incorporated by the "The Yellow Book" to understand the control environment of an entity. We will gain understanding of each of the components through interviews, reviews of policies and procedures, organizational charts, manuals and programs, observation, etc. Our documentation techniques include flow charting, narratives, and/or questionnaires designed specifically for the audit entity. If we determine that adequate controls do appear to be in place, we will then identify those controls upon which we intend to rely and develop audit programs to test those controls.

Laws & Regulations

HCT's approach in determining laws and regulations that will be subject to compliance testing involves research of applicable State Statutes, local ordinances, etc. We identify certain requirements through review of the law/ordinance creating the entity. Further, we contact certain public attorneys, our contacts at the Auditor General and, if necessary, Federal contacts (such as cognizant agents or grantor agencies). We also review minutes, prior to leaving the field, to ensure we have complete understanding of any new mandates or ordinances. We examine the entities' policies and procedures to determine compliance with applicable laws and regulations. And, finally, before leaving the field or opining on compliance, we obtain attorney confirmation letters to substantiate any contingent liabilities that may arise due to pending litigation as well as perform a search for related party transactions.

HCT performs governmental engagements in compliance with applicable laws and regulations and remains current on new requirements. Specifically, we will perform the Town's audits in accordance with,

- Florida Statutes §218.39
- Florida Statutes governing the Town
- Rules of the Florida Department of Financial Services
- The Florida Department of Banking and Finance
- Rules of the Office of the Governor
- The Florida Administrative Code
- Rules of the Auditor General – Chapter 10.550 (Rules adopted by the Auditor General for form and conduct of local governmental unit audits)
- AICPA Audit and Accounting Guide – Audits of State and Local Governmental Units (a.k.a. "The ASLGU")
- State of Florida Single Audit Act, Chapter 270-1 and Federal Single Audit Requirements pursuant to OMB Circular A-133
- Applicable GASBs, FASBs, and Statements on Auditing Standards
- Remain Current on Pronouncements so as to ensure new requirements are addressed
- Governmental Accounting and Financial Reporting (a.k.a. "The GAFR")
- *Governmental Auditing Standards* as issued by the Comptroller General of the United States ("The Yellow Book")

Detailed Qualifications

6. Specific Audit Approach *continued*

- Any other standards as set forth by generally accepted governmental auditing standards or Florida State Statutes.

Audit Samples for Purposes of Tests of Compliance

For all samples selected, we will test for compliance with applicable laws and regulations. If, after reviewing all relevant laws and regulations, it appears we have not adequately tested compliance, we will judgmentally select items or attributes that are necessary to determine compliance with applicable requirements.

Reports to Be Issued

In connection with the Town engagement, we will issue the following reports *as applicable*:

- A report on the fair presentation of the financial statements as a whole, in conformity with generally accepted accounting principles;
- A report on the internal control structure based on the auditor's understanding of the control structure and assessment of control risk;
- A report on compliance with applicable laws and regulations; and,
- A "Management Letter" required by Florida § 218.39(4).

For the State and/or Federal Single Audits, the following reports shall also be issued if necessary pursuant to the Single Audit Act of 1996 and OMB Circular A-133 and/or State Requirements as mandated by the State of Florida Auditor General:

- An opinion on the financial statements and on the supplementary schedule of expenditures of Federal awards;
- A report on compliance and on internal control over financial reporting based on an audit of financial statements performed in accordance with Government Auditing Standards;
- A report on compliance with requirements applicable to each major program and on internal control over compliance in accordance with OMB Circular A-133;
- A schedule of findings and questioned costs;
- A report on compliance with requirements applicable to State grants and aids appropriations;
- A written report of all irregularities and illegal acts of which the Auditor becomes aware, to be submitted to the Director of Finance and the Town Commission, as appropriate; and,
- A signed audit report to be submitted to the Town constituting a fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America along with the required reports on internal control structure and compliance with laws and regulations.

We will also issue a report to the Auditor General of the State of Florida for Financial Condition Assessment.

Detailed Qualifications

7. Identification of Anticipated Potential Audit Problems

HCT does not anticipate any potential audit problems at this time. However, in the event problems do occur, our approach to resolution is described below. We do not anticipate the need for special assistance from The Town.

HCT's approach to resolving any anticipated potential audit problems

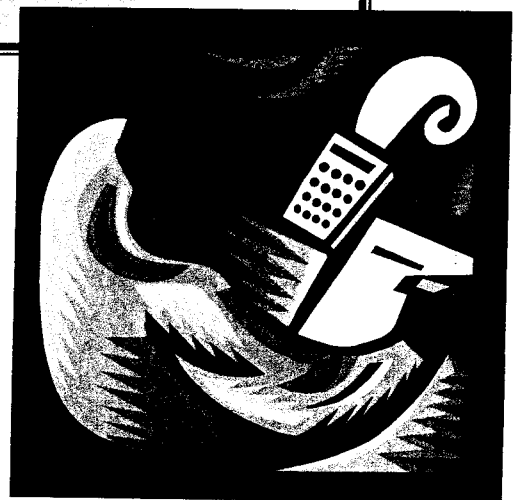
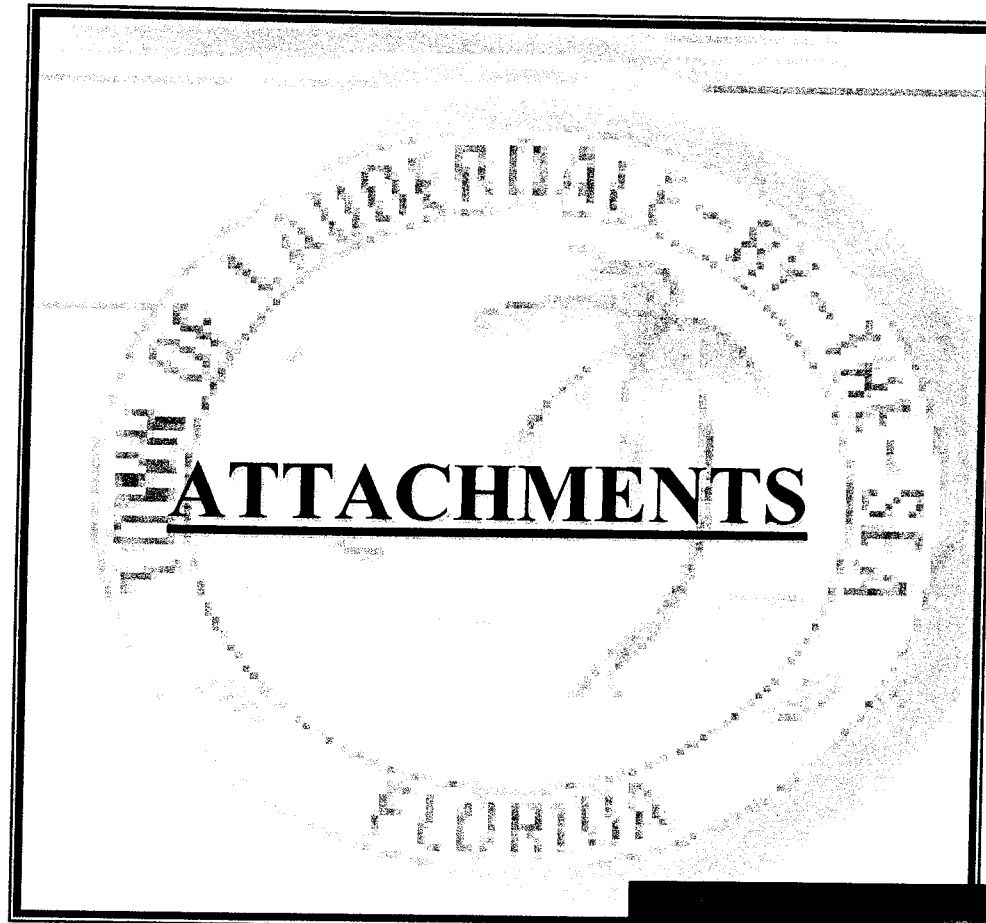
In addressing an issue, communication and timely resolution are critical. HCT takes pride in developing professional relationships and rapport with clients, which facilitate open and honest communication. We use the following approach to seek resolutions on accounting, reporting, and administrative issues:

Step 1: Define and understand the issue through meetings with management

Step 2: Make an initial assessment of the impact of alternative resolutions

Step 3: Discuss with management preferred position and rationale

Step 4: Resolve





RODERICK HARVEY, CPA, CVA
Engagement Managing Partner

Position

Managing Partner - Harvey, Covington & Thomas, LLC.

Education

Master, Professional Accounting, 1996, University of Texas at Austin
Bachelor of Arts, Accounting, 1995, Florida State University
Associate of Arts, Business Administration, 1993, Broward Community College

Professional History

- * CPA, in Florida since, 1997, Certificate #AC 30015
- * Certified Valuation Analyst (CVA), License #030111
- * Harvey, Covington & Thomas, LLC., Partner since 2000
- * KPMG Peat Marwick, LLP, Senior Accountant 1996-2000
- * United States Navy, Enlisted Petty Officer 3rd Class 1988-1991

Clients Served

Mr. Harvey is the Managing Partner serving on many governmental, non- profit, educational and for-profit audits. A partial list of audit clients served is as follows:

Governmental Clients

Agency for Health Care Administration
Children's Service Council Family Strengthening Program
Children's Service Council Maximizing Out of School Time
Children's Service Council Reach Our Kids Now
Children's Service Council School Nurse Program
City of Coral Springs CRA
City of Hollywood, Florida (Bulk Fuel and Ambulatory Service Audits)
City of Lauderdale Lakes
City of Lauderhill Golf Course Clubhouse Grant
City of Lauderhill Housing Authority
City of Lauderhill Storm water Management Basin
City of Lauderhill Swim Central Challenge Grant Projects
City of Lauderhill Water & Sewer Revenue Bonds
City of Miami Gardens, Florida
City of Miami Omni Community & Southeast Overtown Park West
City of Opa-Locka, Florida
City of Riviera Beach, Florida
City of South Florida Equal Justice Center, Florida
Indian Trail Improvement District
Miami Dade Affordable Housing Foundation, Inc.
Miami Dade Sports Commission, Inc

Roderick Harvey (*continued*)

Governmental Clients continued

Monroe County Housing Finance Authority
 Monroe County School Readiness Coalition
 North Miami Community Redevelopment Agency
 Sanford Housing Authority
 Village of EL Portal

Non-Profit Clients

100 Black Men
 Almarie Outreach
 Antioch Missionary Baptist Church
 Ayuda, Inc.
 Bethel Baptist Institutional Church
 Biscayne Nature Center
 Church of Brotherly Love Kings Table Corp
 Countrywide Development Group
 Delray Beach Community Baptist Church
 Faith Center
 Florida Black Business Investment Board
 Florida Black Business Support Corporation
 Florida Export Finance Corporation
 Florida Minority Community Reinvestment Coalition
 Fountain of Pembroke
 Grupo De Apoyo A La Democracia
 Haitian American Association Against Cancer, Inc.
 Indian Trail Improvement District
 Holy Redeemer C.O.G.I.C
 Jesus People Ministries Centre at Miami Gardens
 Macedonia Baptist Church
 Mt. Everest Missionary Baptist Church
 Mt. Herman AME Baptist Church
 Metro Broward Economic Development Corporation
 Minority E-Commerce Association
 Movers
 My Family Place and Chez Papillion's
 Nat Moore Foundation
 New Horizons Community Medical Center
 North Dade Community Development Federal Credit Union
 OIC of Broward County, Inc.
 Old Dillard Foundation
 State of Florida Governor's Front Porch Initiative (25 Front Porch Communities)
 Strategic Community Services, Inc.



Roderick Harvey (*continued*)

Non-Profit Clients *continued*

Southern Florida Minority Supplier Diversity Council
Teen Upward Bound, Inc.
The Children's Trust – Miami-Dade/**Exclusive Monitoring Auditors**
Virginia Key Beach Park Trust

Educational

Chancellor Charter School - Elementary School
Chancellor Charter School - Middle School
Cool Kids Learn, Inc.
East Gainesville Development Corporation
Excel Academy Charter School
Future Leader Academy for Arts & Science
Happy Children of Overtown, Inc.
Life Skills Center of Leon County (Tallahassee)
Love to Learn Arts & Science
Palm Beach School of Autism
Palm Beach School of Learning
Love to Learn Educational Center
Oasis Enrichment Academy, Inc.
O'Farrill Learning Center
Parkway Academy Charter School
Spiral Tech Elementary Charter School
Spirit City Academy Charter School
Vankara Academy Charter School, Inc.

For-Profit Organizations

Adpro Specialties
Bayside Market Place
I.B. Glazing
Icon Capital Mortgage Funding, Inc.
Mortgage Experts of South Florida
Party City – (30 Chain Retail Stores)
Party City 401K Employee Benefit Plan
Pioneer Mortgage of the City of Sanford
Speedy Concrete Cutting, Inc. 401K Employee Benefit Plan
Weed-A-Way
X-Press Printing



Roderick Harvey (continued)

Homeowners Associations

Missionwood Condo Association
Shaker Village Condo Association

Continuing
(3) years.

Professional Education Courses taken during the last three

Professional
Education

Course	Hours
Governmental Accounting and Auditing	200
Accounting, Auditing and other	<u>32</u>
Total Hours	232

Professional
Affiliations

Member, FICPA
Member, AICPA
Board Member, FLITE Center
Former, Audit Committee City of Miami
Treasurer, Business Assistance Center Funding Corporation (BAC)
Treasurer, Minority E-Commerce Association
Loaned Executive for United Way
East Austin Enterprise Fund
National Association of Black Accountants
National Black MBA Association
Naval Reserves (1991-1995)



Roderick Harvey, CPA – AICPA Letter of Good Standing



April 15, 2009

Re: Member #01678548


To Whom It May Concern:

This letter is to confirm Roderick Harvey is an active Regular member of the AICPA. Roderick Harvey has been a member in good standing effective Jan 31, 2001.

A member in good standing is an individual who has not been suspended or terminated because of disciplinary reasons. Disciplinary activities are published in the AICPA periodical, *The CPA Letter*.

Thank you for allowing us to be of service. Please let us know if we may be of further assistance.

Regards,


Venice Lawing
AICPA Member Service Center

America Counts on CPAs

Renew your AICPA membership today at aicpa.org/about/dues.htm

Member Service Hotline: 888.777.7077 or service@aicpa.org

Thank you for your continued support.

American Institute of Certified Public Accountants
220 Leigh Farm Road, Durham, NC 27707 • (919) 402-4500 • fax (919) 402-4505 • www.aicpa.org
ISO Certified

America Counts on CPAs



Roderick Harvey, CPA – FICPA Letter of Good Standing



FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

325 WEST COLLEGE AVENUE • P.O. BOX 5437 • TALLAHASSEE, FLORIDA 32314
TELEPHONE (850) 224-2727 • FAX (850) 222-8190

April 20, 2009

Roderick A. Harvey
Harvey, Covington & Thomas, LLC
3816 Hollywood Blvd Ste 203
Hollywood, FL 33021

Dear Mr. Harvey,

Thank you for contacting us about the status of your membership. The Florida Institute of CPAs (FICPA) is always available for any questions you have about your membership or any programs or services we offer.

Our records show that your membership with the FICPA began on August 23, 2004, and is current through June 30, 2009. You are a member in good standing. We look forward to your continued support of the FICPA!

Our Member Service Center is always just a phone call away. If you should have additional questions or we can be of further service, please don't hesitate to call (800) 342-3197.

Kind regards,

Darice Sasnett
Membership Assistant



Roderick Harvey, CPA, CVA – Professional License



STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

BOARD OF ACCOUNTANCY
240 NW 76TH DRIVE, SUITE A
GAINESVILLE FL 32607

(352) 333-2500

HARVEY, RODERICK A
19030 NORTHWEST 54TH AVENUE
MIAMI FL 33055

Congratulations! With this license you become one of the nearly one million Floridians licensed by the Department of Business and Professional Regulation. Our professionals and businesses range from architects to yacht brokers, from boxers to barbeque restaurants, and they keep Florida's economy strong.

Every day we work to improve the way we do business in order to serve you better. For information about our services, please log onto www.myfloridalicense.com. There you can find more information about our divisions and the regulations that impact you, subscribe to department newsletters and learn more about the Department's initiatives.

Our mission at the Department is: License Efficiently, Regulate Fairly. We constantly strive to serve you better so that you can serve your customers. Thank you for doing business in Florida, and congratulations on your new license!



STATE OF FLORIDA AC# 4477120
DEPARTMENT OF BUSINESS AND
PROFESSIONAL REGULATION

AC0030015 07/18/09 098005889

CERTIFIED PUBLIC ACCOUNTANT
HARVEY, RODERICK A

IS LICENSED under the provisions of Ch. 473 FS.
Expiration date: DEC 31, 2011 L09071800063

DETACH HERE

AC# 4477120

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY

SEQ# L09071800063

DATE	BATCH NUMBER	LICENSE NBR
07/18/2009	098005889	AC0030015

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2011

HARVEY, RODERICK A
19030 N W 54TH AVENUE
MIAMI FL 33055

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLES W. DRAGO
SECRETARY



SABRINA COVINGTON, CPA
Principal Owner

PROFESSIONAL PROFILE

BACKGROUND

Sabrina D. Covington, CPA is Partner of Harvey, Covington & Thomas. She manages the Central Florida Region and was appointed to the American Institute of Certified Public Accountants Individual Tax Committee. She is located in the Altamonte Springs office of HCT.

Sabrina is a Certified Public Accountant licensed in the State of Florida.

EXPERIENCE

Sabrina has more than fifteen (15) years of experience in public accounting. She has substantial experience in accounting, auditing and reporting, and concentrates in the areas of:

- Restaurants and Food Service
- Not for Profit Organizations
- Assurances Services
- Construction Industry

Sabrina manages the entire audit process and keeps client updated with any matters in accounting, reporting, compliance and internal control. She steps beyond the role of being lead auditor on engagements, by obtaining a big picture view and understanding of her clients' business operations. She acts as her clients' primary business advisor by challenging their business philosophies and offering suggestions to help make them more successful.

EDUCATION

B.S. degree in Business and Accounting, University of Central Florida

AFFILIATIONS AND RECONGNITION

Florida Institute of Certified Accountants

Certified Fraud Examiners

American Institute of Certified Public Accountants

AICPA Individual Tax Committee

National Association of Black Accountants

Congressional Legislative Studies for NABA, Board of Directors



CONNOR COURTEMANCHE
Engagement Manager



EDUCATION

Bachelor of Science, Accountancy, 1991
Arizona State University

EXPERIENCE IN PUBLIC ACCOUNTING AND PRIVATE BUSINESS

- Financial, Compliance, and Operational Auditor 1992 - 2009
- Senior Consultant with "Big 5" accounting firm 1996
- Controller of Arizona Department of Revenue 1998 - 1999
- Executive Recruiter for finance and accounting professionals 1999 - 2000

EXPERIENCE GOVERNMENTAL FINANCIAL, PERFORMANCE & SINGLE AUDITS

Since beginning her career in 1992, Ms. Courtemanche has worked **almost exclusively in the governmental realm, focusing on Financial, Single, and Operational audits.** Ms. Courtemanche has been accepted as an expert witness in Monroe County, Florida. In addition to her governmental audit experience, Ms. Courtemanche's background includes the following related areas:

- Customs consulting involving valuation of various manufactured goods, substantiation of reported costs of goods sold, proof of production of imports/exports, and preparation and submission of electronic drawback claims based on calculated asset value
- Special investigations and litigation support related to public fraud, waste, and abuse; assisted the Arizona Attorney General with trial preparation for related prosecutions
- Business and individual bankruptcy cases coordinated with the Arizona Attorney General through the Arizona Department of Revenue, including asset valuation and administrative hearing support
- Operational audits of major universities and community college districts, including in-depth reviews of reported fixed assets, plant and equipment, and inventories
- Special performance- and operational- related projects as assigned by state legislature
- Analysis of operations of state and county superior courts and related justice courts, assisted with formulation of financial and operational policies and procedures for superior court system
- Federal compliance audits pursuant to OMB-133, worked closely with Federal agencies and various Inspectors General

Experience with a variety of statistical and analytical procedures designed to substantiate reported property, plant, and equipment amounts



Connor Courtemanche continued

PROFESSIONAL LICENSES and ASSOCIATIONS

- Certified Public Accountant – Arizona – currently inactive – planned activation May 2009
- Certified Government Financial Manager
- American Institute of Certified Public Accountants
- Arizona State Society of Certified Public Accounts
- Florida Institute of Certified Public Accountants
- Florida Government Finance Officers Association
- Association of Government Accountants - Chapter president, Regional Vice-President, Chair of National Community Service Committee, Miscellaneous advisory boards
- Maricopa County Community College District Business Advisory Board

AWARDS

- Association of Government Accountants – a plethora of awards, including
- Silver Service Award - National
- President's Award
- Various National Advisory Boards and Subcommittees
- Awards from Employers
- Eagle Award (for “dedication and leading culture change toward empowerment”)
- Extra Mile Award

CONTINUING PROFESSIONAL EDUCATION

In addition to teaching and coordinating various CPE classes, including classes related to Single Audit, various Information Systems, and other audit related courses, Ms. Courtemanche has earned the following CPE within the last two (2) years:

<u>Course</u>	<u>Hours</u>
Governmental Accounting and Auditing	98
Accounting, Auditing and other	24
Total CPE	<u>122</u>

Connor Courtemanche – Professional License





FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

AND
FLORIDA INSTITUTE OF ACCOUNTANTS
INCORPORATED

This Certifies that

Connor C. Leary

of

Boca Raton

IS A MEMBER OF THE FLORIDA INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS, Inc.



DATED **July 24, 2001**

No. **66765**

ATTEST

Joseph L. Puman

Secretary

Robert J. Puman

President

THIS CERTIFICATE IS ISSUED SUBJECT TO THE PROVISIONS OF THE BY-LAWS AND MUST BE SURRENDERED TO THE EXECUTIVE COMMITTEE IMMEDIATELY UPON TERMINATION OF MEMBERSHIP.

ARIZONA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS CERTIFICATE OF MEMBERSHIP

Connor C. Leary

is a member.

P. Puman

Secretary

Joseph L. Puman

President

October 3, 1997

Date

This certificate is issued in accordance with the bylaws of the Society and must be surrendered immediately upon termination of membership.



TAMARA BAKER
Senior Auditor



EDUCATION

2004 – Present *St. Thomas University*

MBA in Accounting, Anticipated Graduation Date: Fall 2011

Bachelor Degree in Accounting, Graduated: May 2008, Cum Laude (GPA: 3.60)

2001 – 2003 *Johnson & Wales University*

Associates Degree (AS) in Accounting

Graduated Summa Cum Laude (GPA: 3.86), Silver Key Honor Society

WORK EXPERIENCE

11/08 – Present

Harvey, Covington & Thomas, L.L.C.

Senior Auditor

Inspect items in books of original entry to determine if accepted accounting procedures are followed in recording transactions, Preparation of Audited Financial Statements and Compilation Reviews according to generally accepted auditing standards for Government and Non-Profit Organizations, Monitoring for Local, State, and Federal Grants, and Preparation of business and individual related tax returns (990, 1120, 1120S, 1065, 1040, etc.).

06/03 – 10/08

Superstein & Superstein, CPAs

Accountant

Handled accounting related services, including preparation of adjusting journal entries for monthly and year-end closings, preparation of corporations, partnerships and individual related tax returns, bank reconciliation, accounts payables, accounts receivables, inventory review and adjustments, sales tax returns, quarterly and year-end payroll tax reports (941, UCT6, 940, W-2s), and 1099s for various clients in the following industries: wholesale, restaurants, property management, legal services, and other professional services. Support clients with daily internal transactions and IRS corresponding matters, train and supervise bookkeeper and administrative staff.

03/00 – 06/03 *Nubian Tax Consultants*

Bookkeeper & Office Manager

Preparation of bank reconciliations, sales tax returns, quarterly and year-end payroll tax reports, 1099s, preparation of 1040 individual tax returns and e-filing, set-up of new corporation filings and annual reports, organizing and scheduling of appointments, and train and supervised administrative staff.

CERTIFICATIONS & SKILLS

Specialized Associates Degree in Health Services Administration, Type 50 wpm, 10-key proficiency, experienced with QuickBooks, Peachtree, EasyAcct write-up, Timeslips, Prosystem fx Tax, TaxWise, Ultra Tax, Microsoft Word, Excel, Outlook, Powerpoint, etc.



KEN M. SINCLAIR

EDUCATION

Nova Southeastern University, Davie, FL

Master of Accounting December 2010

- CPA Candidate with 150 educational hours

Florida International University, Miami, FL

Bachelors of Accounting August 2007

CERTIFICATION

- CPA Exam: Regulation – Pass
- CPA Exam: Financial - Pass
- CPA Exam: Audit - Pass

EXPERIENCE

Harvey, Covington and Thomas, LLC Hollywood, FL

Auditor September 2009 –

Staff auditor at public accounting firm.

- Conducted fieldwork
- Prepared audit reports for non-profit organizations

Gerstle, Rosen & Goldenberg, P.A. Aventura, FL

Auditor October 2007 – February 2009

Staff auditor at public accounting firm.

- Conducted fieldwork
- Prepared compilation, review and audit reports
- Prepared corporate tax returns

SAB Group, P.A. Hollywood, FL

Accountant January 2007 - June 2007

Staff accountant at small-sized public accounting firm.

- Reconciled from book to taxable income
- Prepared monthly journal entries
- Performed monthly bank reconciliations

SAB Group, P.A. Hollywood, FL

Accountant December 2005 – April 2006

Accountant Assistant

- Performed monthly bank reconciliations
- Processed tax returns
- Performed filing and other office duties

COMPUTER SKILLS

- Creative Solutions Accounting, Ultratax
- SAP Financials R3
- Microsoft: Office, Excel, Word, PowerPoint, Access
- Intuit: Easy Accounting, ProSeries, TurboTax



Miami Herald Newspaper Article

Herald, The (FL)

January 27, 2008

FINANCIAL REPORTING GETS MARK OF EXCELLENCE

Author: Herald Staff Report

Edition: Final

Section: Neighbors

Page: 4NC

Estimated printed pages: 2

Abstract/Digest:

The city wins certificate of excellence for financial statement reporting, and Mayor Joseph Kelley said, "it is a sign of fiscal progress."

Article Text:

The City of Opa-Locka recently received the Government Financial Officers Association Certificate of Achievement for Excellence in Financial Statement Reporting for fiscal year 2006. It is the first such commendation for the city. A city announcement said, the financial statements were prepared by the government accounting firm Harvey Covington & Thomas, through local partner Roderick Harvey. The firm won Opa-Locka's accounting contract in 2005. Mayor Joseph Kelly said, "We are proud to win this award from the GFOA for work that helps our city run more efficiently and make sound decisions in the allocation of our valuable resources. This work is part of our vision to become a city that's ready to embrace the 21st century."

"We're very appreciative of the job performed by Harvey, Covington & Thomas because we at the city are serious about living our motto, which is "On Our Way," -- in this case to excellence -- and this is another achievement towards that goal. We look forward to continued strides in this direction." "Roderick Harvey, principal of Harvey, Covington & Thomas said, "his firm focuses on making sure that our small- and mid-sized governmental clients win these awards annually as standards of excellence become routine."

This award, said Harvey, "represents recognition for a strong working relationship between our agency and the city of Opa-Locka. The tireless hours we spent compiling data for the statements have given the city a clearer financial picture that will enable them to make sound fiscal decisions for the coming years." Harvey, Covington & Thomas was founded in 2000 and is based in Hollywood with offices in Tampa and Orlando. The firm's other principals are Sabrina Covington and Floran Thomas. The GFOA's mission is "to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training and leadership." The association presents certificates of achievement and other awards annually after judging by a panel of accounting experts drawn from its membership. Criteria in this category include providing an unqualified audit report, preparing statements in accordance with generally accepted accounting principles and providing fund information from several sources.

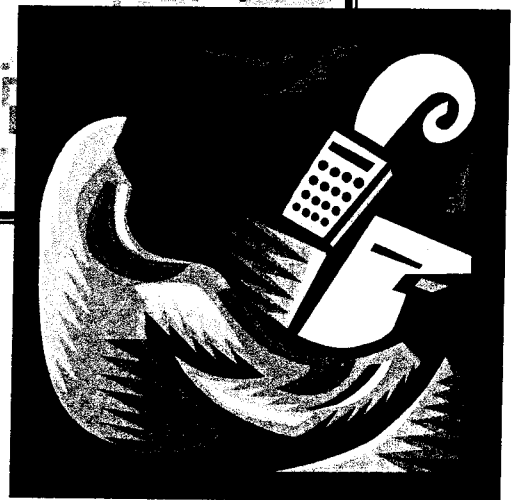
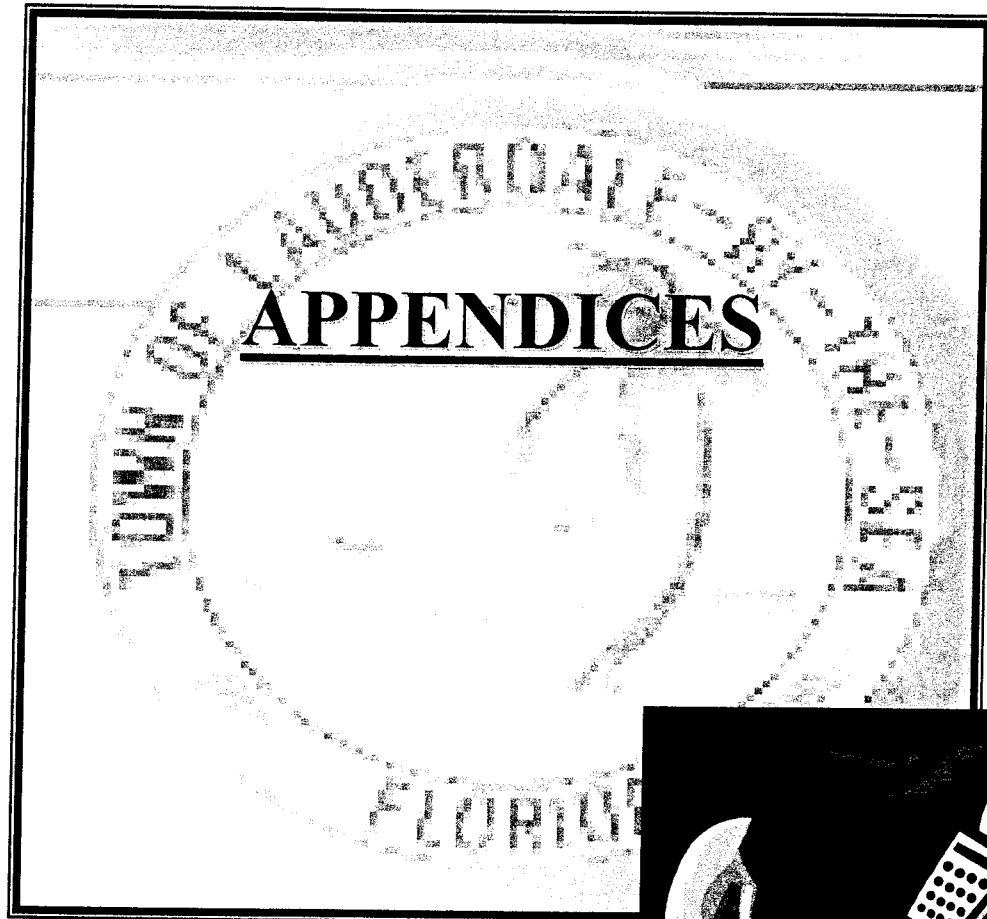
Caption:

Joseph Kelley

Copyright (c) 2008 The Herald

Record Number: 453865






APPENDIX A

QUALIFIER WARRANTIES

- A. Qualifier warrants that it is willing and able to comply with State of Florida laws with respect to foreign (non-state of Florida) corporations.
- B. Qualifier warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Qualifier warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.
- D. Qualifier warrants that all information provided by it in connection with this qualification is true and accurate.

Signature of Official: 

Name (typed): Roderick Harvey, CPA, CVA

Title: Managing Partner

Firm: Harvey, Covington & Thomas, LLC

Date: January 11, 2010

APPENDIX B

SWORN STATEMENT ON PUBLIC ENTITY CRIMES SECTION 287.133, FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Lauderdale-By-The-Sea

By Roderick Harvey, CPA, CVA - Managing Partner
[print individual's name and title]

For Harvey, Covington & Thomas, LLC
[print name of entity submitting sworn statement]

whose business address is

3816 Hollywood Boulevard, Suite 203

Hollywood, Florida 33021

and (if applicable) its Federal Employer Identification Number (FEIN) is 65-0984330

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____).

2. I understand that a "public entity crime" as defined in Paragraph 287.133(l)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or the United States, including, but not limited to, any bid or contract for goods and services to be provided to any public entity or an agency or political subdivision of any other state or of the United States involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(l)(b), Florida Statutes, means a finding of guilt or a conviction or a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand than an "affiliate" as defined in Paragraph 287.133(l)(a), Florida Statutes, means:
- a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents

who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an entity.
6. Based on information and belief, the statement that I have marked below is true in relation to the entity submitting this sworn statement. [Indicate which statement applies.]

 X Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list, [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Mr. Ryan
Committee

By:

Managing Partner
(Title)

STATE OF FLORIDA)
)SS:
COUNTY OF BROWARD)

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County
aforesaid on this 11 day of January, 200 2010

 **ROSE E. HENDERSON**
MY COMMISSION # DD 706105
EXPIRES: September 10, 2011
Bonded Thru Notary Public Underwriters

APPENDIX C

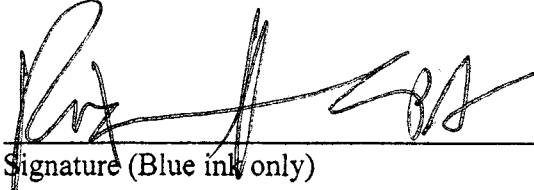
NON-COLLUSION AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is Roderick Harvey, CPA, CVA of Harvey, Covington & Thomas the Qualifier that has submitted the attached Qualification;
2. He / She is fully informed respecting the preparation and contents of the attached Qualification and of all pertinent circumstances respecting such Qualification;
3. Such Qualification is genuine and is not a collusive or sham Qualification;
4. Neither said Qualifier nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Qualifier, firm or person to submit a collusive or sham qualification in connection with the Agreement for which the attached Qualification has been submitted or to refrain from qualifying in connection with such Agreement, or has in any manner, directly or indirectly, sought by agreement of collusion or communication of conference with any other Qualifier, firm, or person to fix the price or prices, or of any other Qualifier, or to fix any overhead, profit or cost element of the qualification or the response of any other Qualifier, or to secure through any collusion, connivance, or unlawful agreement any advantage against Lauderdale-By-The-Sea, Florida, or any person interested in the qualified Agreement; and

[THIS SPACE INTENTIONALLY LEFT BLANK]

5. The response to the attached RFQ is fair and proper and is not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Qualifier or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.


Signature (Blue ink only)

Roderick Harvey, CPA, CVA
Print Name

Managing Partner
Title

January 11, 2010
Date

Witness my hand and official notary seal/stamp at 11:00 a.m. the day and year written above.

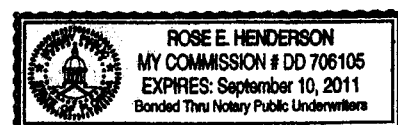
STATE OF FLORIDA)
)SS:
COUNTY OF BROWARD)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Roderick Harvey, CPA, CVA as Managing Partner of Harvey, Covington & Thomas an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of Harvey, Covington & Thomas for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 11 day of January, ~~200~~ 2010


NOTARY PUBLIC

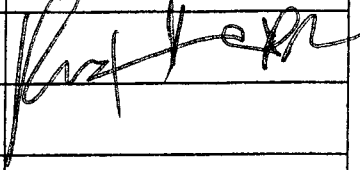
My Commission Expires:



APPENDIX D

ACKNOWLEDGMENT OF ADDENDA

The Qualifier hereby acknowledges the receipt of the following addenda issued by the Town and incorporated into and made part of this RFQ. In the event the Qualifier fails to include any such addenda in the table below, submission of this form shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her.

ADDENDUM NUMBER	DATE RECEIVED	PRINT NAME	TITLE	SIGNATURE (BLUE INK ONLY)
1	01/04/2010	Roderick Harvey	Managing Partner	

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TOWN OF LAUDERDALE-BY-THE-SEA

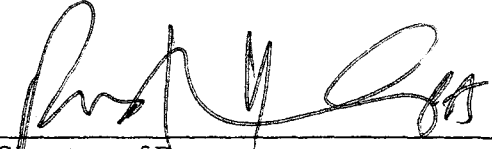
4501 OCEAN DRIVE • LAUDERDALE-BY-THE-SEA, FL 33308
TELEPHONE (954) 776-0576 • FAX (954) 776-0578

16 December 2009

ADDENDUM #1 RFQ#09-12-01 REQUEST FOR QUALIFICATIONS

This addendum is issued to clarify the use of GSA Form SF330 in lieu of the referenced forms 254 and 255, as originally stated in the advertisement.

Proposer must submit executed copy of this addendum with proposal due on Thursday, January 14, 2010, at 2:00 PM.



Signature of Proposer

APPENDIX E
INDEPENDENCE AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is Roderick Harvey, CPA, CVA of Harvey, Covington & Thomas, the Qualifier that has submitted the attached Qualification;
2. (a) Below is a list and description of any relationships, professional, financial or otherwise that Qualifier may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years.

(b) Additionally, the Qualifier agrees and understands that Qualifier shall give the Town written notice of any other relationships professional, financial or otherwise that Qualifier enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of this Agreement.

(If paragraph 2(a) above does not apply, please indicate by stating, "not applicable" in the space below.)

NOT APPLICABLE

[THIS SPACE INTENTIONALLY LEFT BLANK]

6. I have attached an additional page to this form explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in the RFQ.

[Signature]
Signature (Blue ink only)

Roderick Harvey, CPA, CVA

Print Name

Managing Partner

Title

January 11, 2010

Date

Witness my hand and official notary seal/stamp at 11:00 a.m. the day and year written above

STATE OF FLORIDA)
)SS:
COUNTY OF BROWARD)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Roderick Harvey as Managing Partner, of Harvey, Covington & Thomas organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of Harvey, Covington & Thomas for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 11 day of January, 2010.

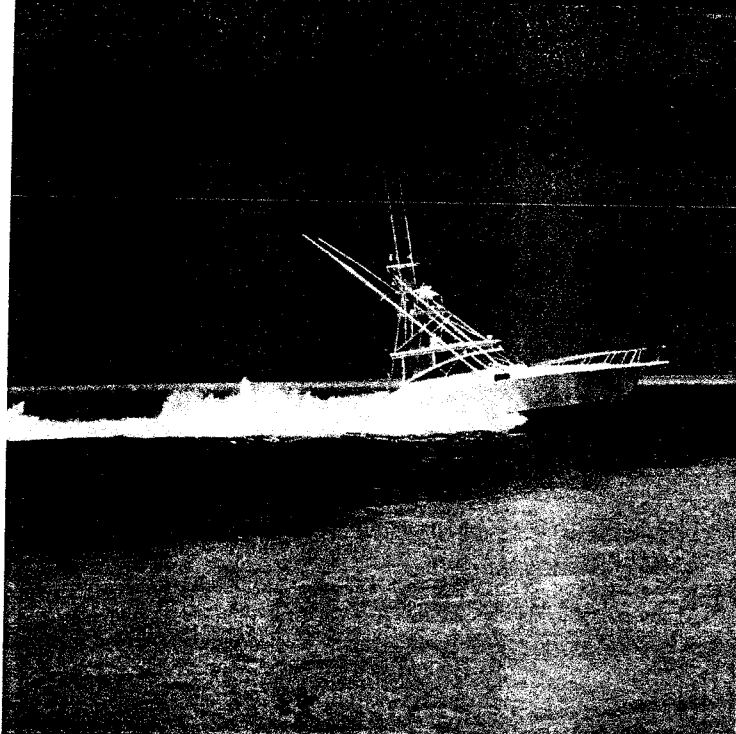
[Signature]
NOTARY PUBLIC

My Commission Expires:



Marcum Rachlin Accountants

P R O P O S A L



Proposal for Professional
Auditing Services *for*

Town of
Lauderdale-By-The-Sea

January 19, 2010

**MARCUM
RACHLIN**
ACCOUNTANTS ▲ ADVISORS

A Division of Marcum LLP

G. Jerry Chiocca, CPA • 450 East Las Olas Boulevard, Ninth Floor, Fort Lauderdale, Florida 33301
Phone 954.525.1040 • Fax 954.525.2004 • jerry.chiocca@marcumrachlin.com • marcumrachlin.com



Table of Contents

Transmittal Letter

Technical Proposal

General Requirements

1. License to Practice in Florida	3
2. Independence	3
3. Firm Qualifications and Experience	3
4. Partner, Supervisory and Staff Qualifications and Experience	4
5. Similar Engagements with Other Government Entities	16
6. Specific Audit Approach	17
7. Identification of Anticipated Potential Audit Problems	23

APPENDIX A - Qualifier Warranties

APPENDIX B - Public Entities Crime Affidavit

APPENDIX C - Non-Collusion Affidavit

APPENDIX D - Acknowledgement of Addenda

APPENDIX E - Independence Affidavit

APPENDIX F - Peer Review Reports

MARCUM RACHLIN

ACCOUNTANTS & ADVISORS

January 19, 2010

June White, Town Clerk
Lauderdale-By-The-Sea
4301 Ocean Drive
Lauderdale-By-The-Sea, FL 33308

We are pleased to submit our response to the request for proposal to provide auditing services to the Town of Lauderdale-By-The-Sea (the Town).

Effective June 1, 2009, the certified public accounting firm of Rachlin LLP merged with the certified public accounting firm of Marcum & Kliegman LLP (now known as Marcum LLP) and became MarcumRachlin, a division of Marcum LLP. The combined Firm has 12 offices throughout the U.S. making it one of the largest independent public accounting and advisory services firms in the nation.

As outlined in our proposal, we will conduct an audit of the basic financial statements of the Town, for the fiscal year ending September 30, 2010 with the option of additional four (4) subsequent years.

For almost 40 years, the Firm has provided professional services to the public sector, including counties, districts and local municipalities, not-for-profit organizations and other governmental entities. In the past year alone, the Firm has performed more than 50 audits of governmental entities. Certain partners and professionals in our Assurance Services Group have outstanding credentials and devote most of their time to working with local government entities. We are well versed in the complexities of this sector and fully understand the economic and political environment in which these entities operate.

For this proposed engagement, MarcumRachlin has assembled an audit team whose skills and experience match the requirements of the Town. The proposed audit partner, G. Jerry Chiocca, and quality control partner, Susan Friend, have been involved in governmental entity audits for a combined total of more than 50 years. All decisions that affect the planning, execution and completion of the proposed audit will be made by them. Their experience in conducting the prior audits for the Town bring a wealth of knowledge and gives us the opportunity to be more efficient and cost effective to the Town.

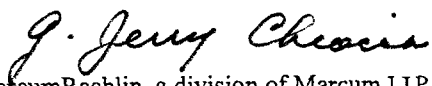
The Firm not only brings a wealth of governmental experience, but our history of outstanding service to the governmental sector in the South Florida area, allows us to minimize the learning curve and start-up time which naturally translates in the best cost to the Town in terms of dollars, client assistance and efficiencies.

In addition, MarcumRachlin offers to the Town a commitment to ongoing and open communication. We pledge to listen to your concerns and anticipate your needs. And, we commit to be available to answer questions, discuss audit issues and resolve problems throughout the year as they arise, and complete the engagement within the timeframe outlined in the request for proposal.

This proposal is a firm and irrevocable offer for ninety (90) days from the date of the proposal offering.

We welcome the opportunity to answer any questions and to provide further information regarding our services and experience. Thank you for your consideration.

Sincerely,

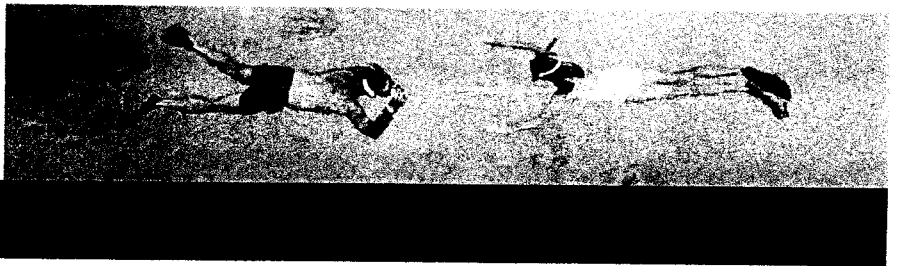

MarcumRachlin, a division of Marcum LLP
G. Jerry Chiocca / Partner
Authorized to represent and bind the Firm



MarcumRachlin a division of Marcum LLP ■ marcumrachlin.com

450 East Las Olas Boulevard ■ Ninth Floor ■ Fort Lauderdale, Florida 33301 ■ Phone 954.525.1040 ■ Fax 954.525.2004

FLORIDA ■ NEW YORK ■ NEW JERSEY ■ CONNECTICUT ■ GRAND CAYMAN



GENERAL REQUIREMENTS

FIRM PROFILE

MarcumRachlin, a division of Marcum LLP, is one of the largest independent public accounting and advisory services firms in the nation. Ranked 20th among the "Top 100 Firms" by *Accounting Today*, MarcumRachlin offers the resources of more than 800 professionals, including 101 partners, in 12 offices throughout Florida, New York, New Jersey, Connecticut, Pennsylvania and Grand Cayman.

Since its founding in 1955, MarcumRachlin (previously known as Rachlin LLP) has been a regional leader, delivering the personal attention of a small firm matched with the global resources and experience of a larger firm. It is ranked among the leading firms in the Southeast. In 2009, the Firm extended its reach into the Northeast through a strategic merger with New York-based Marcum & Kliegman LLP (now known as Marcum LLP). The two firms, with a combined history of 112 years, each possess an outstanding reputation in their respective regions.

In addition to accounting, audit and tax, MarcumRachlin's professional services include mergers and acquisition planning, family office services, forensic accounting and litigation support. The Firm has developed several niche practice areas including services for the government, public and not-for-profit sectors; alternative investment partnerships; sales and use tax recovery services; targeted professional services for hedge funds; SEC-registrants; and bankruptcies and receiverships. The Firm also provides nontraditional services to clients through its separate marketing and graphic design division.

In 2008, MarcumRachlin (then known as Rachlin) was selected as one of Inside Public Accounting's "Top 100 Accounting Firms." In 2007, the Firm's Managing Partner, Lawrence Blum, was honored by the *South Florida Business Journal* as one of the year's "Ultimate CEOs," and the Rachlin Foundation was named among the top 15 givers to South Florida charities.

Marcum is a member of the Marcum Group, the gateway to a group of organizations that provide a variety of professional services including accounting and advisory, technology solutions, recruiting, wealth management and marketing and design. These organizations include MarcumRosenfarb LLC; MarcumRachlin, a division of Marcum LLP; Marcum Technology LLP; Marcum Search LLC; Marcum Financial Services LLC and Rachlin Design.

OUR SPECTRUM OF SERVICES INCLUDE:

Assurance Services

Assurance services primarily involve the audit of financial statements and the issuance of an opinion on the fairness of the presentation of financial position and results of operations of an entity.

Our philosophy and practice is to blend technical, practical and business approaches when conducting each engagement.

Advisory Services

The Firm's Advisory services encompass the analysis of business problems, the evaluation of the scope of specific situations, as well as the development of solutions and alternative procedures. The purpose of this comprehensive endeavor is to assist clients in solving their management problems.

The scope of an advisory engagement is determined in large measure by the client, and depends partially on the extent of involvement of the client's own personnel. The Firm aims to provide clients with "know-how" by using personnel who have the knowledge and experience to serve clients in a wide range of functional areas such as accounting systems, computer systems, financial controls and organizational structure as well as business valuations and forensic audits.



Tax Services

The term *tax services* is sometimes understood to mean tax return preparation for private companies and individuals; however, *all* organizations, including government entities, must understand and comply with various provisions of the Internal Revenue Code. Our service team has the knowledge and experience to meet our clients' tax needs.

Information System Capabilities

Our Information Technology (IT) assurance services were developed in response to an increased risk environment. The Firm uses the Control Objectives for Information and Related Technologies (COBIT) framework on all information systems audits. We also provide a wide range of IT advisory services, including:

- **System vulnerability studies:** Network security architecture; LAN/WAN topology; policies and procedures; internal and external assessments utilizing port scanning; and review exposure to auto-cyber based attacks, viruses, worms, Trojan horses and DOS attacks
- **IT compliance assessments:** Software licensing; hardware inventory; computer usage; systems documentation; and storage, access and use of corporate data and resources
- **Business continuity planning evaluations:** Back-up process; disaster recovery planning and business continuity plan testing

RELATED SERVICES FOR GOVERNMENTAL ENTITIES

GFOA Certificate of Achievement Program

We have assisted many of our clients who participate in the GFOA Certificate of Achievement for Excellence in Financial Reporting Program. This program is recognized as the highest award in governmental financial reporting. The Certificate of Achievement has been awarded on all of the financial statements for participating clients. The senior members

of the engagement team are special reviewers for the GFOA Certificate of Achievement Program.

Federal and Florida Single Audits

The Firm has extensive experience in performing Federal and Florida single audits.

QUALITY CONTROL SYSTEM

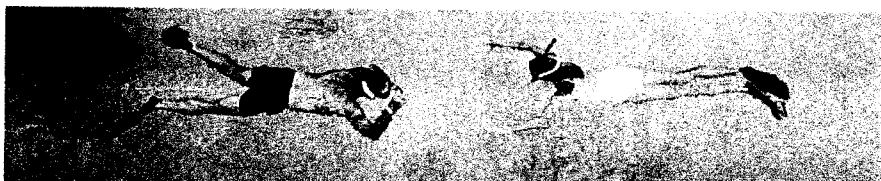
The quality of the Firm's professional practice is of utmost importance to the Firm, to clients and to the users of our reports. We provide services that conform to professional standards and consider the integrity of individuals in determining our professional relationships.

To ensure that the Firm's performance is in conformity with our stated standards and those issued by the American Institute of Certified Public Accountants (AICPA), our quality control system encompasses the following:

Professional Development

Every year, the Firm provides a minimum of 40 hours of continuing professional education (CPE) in-house to all professional staff. These seminars include sessions in governmental accounting, auditing and financial reporting, including Yellow book, single audit and other accounting and auditing issues. In addition to the in-house training, our partners and professional staff attend various outside seminars. The number of hours of specialized training received in the last three years by supervisory personnel assigned to the audit engagement in governmental accounting and auditing, including information technology auditing, is indicated in each respective resume included in this proposal.

The Firm is also committed to providing professional development programs to the entire South Florida community involved in the governmental sector. For the last 15 years, we have presented an annual Governmental Symposium, which focuses on current developments in governmental affairs, including accounting, legal and operational topics. We encourage our clients and non-clients to attend these two days of CPE.



1. LICENSE TO PRACTICE IN FLORIDA

Marcum LLP, of which MarcumRachlin is a division, is a licensed certified public accounting firm. The Firm is a member of the AICPA and the Florida Institute of Certified Public Accountants (FICPA). All professional staff, upon successful completion of the CPA exam, become members of both organizations. All key professional staff members are licensed to practice in accordance with Florida regulations. The Firm is registered annually with the Florida Department of Business and Professional Regulation – Board of Accountancy.

2. INDEPENDENCE

MarcumRachlin's policy is that all professional personnel be familiar with and adhere to the independence, integrity, and objectivity rules, regulations, interpretations, and rulings of the American Institute of Certified Public Accountants (AICPA), the various state boards of accountancy and state CPA societies, relevant statutes, and applicable regulatory agencies. In addition, all professionals – from partner to staff auditor – are required to sign affidavits attesting to their independence each year.

MarcumRachlin's quality control document contains detailed policies related to maintaining independence. These policies are the most stringent policies adopted by the AICPA and the various state boards of accountancy. Engagement team members are required to consider any possible situations where independence may be impaired during the acceptance or continuance process and if any arise during the performance engagement.

The Firm is independent of the Town of Lauderdale-By-The-Sea as defined by the American Institute of Certified Public Accountants (AICPA), Generally Accepted Auditing Standards and the U.S. General Accounting Office (*Government Auditing Standards – 2003 Edition*).

3. FIRM QUALIFICATIONS AND EXPERIENCE

MarcumRachlin is comprised of 26 partners and a professional staff of more than 200, including support staff.

The audit partner, Jerry Chiocca will be assisted by another partner, Susan Friend, a manager, senior and two staff accountants from the Firm's Fort Lauderdale office who will be assigned to this engagement on a full-time basis. We do not anticipate any personnel being assigned to this engagement on a part-time basis.

There are no pending actions as a result of any federal or state desk reviews or field reviews to the Firm's audits or its auditors of governmental entities during the past three (3) years.

There has been no disciplinary action taken nor pending against the Firm or any of the professional staff during the past three (3) years with the State Board of Accountancy or the Auditor General. There is no pending litigation related to the Firm's audits of local government entities.

Peer Review

The Firm participates in an external quality review program requiring an on-site independent examination of our Accounting and Auditing practice.

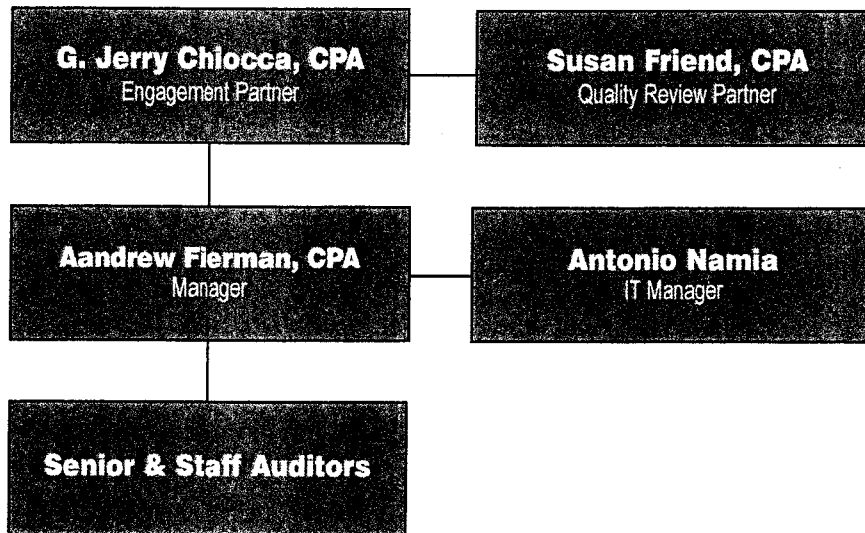
The Firm has consistently received an unqualified opinion on the quality of the Firm's audit practice. This is the highest level of achievement and recognition in the peer review program. The latest peer review reports for Marcum & Kliegman LLP (now Marcum LLP), and Rachlin LLP (now MarcumRachlin, a division of Marcum LLP) are included in Appendix F. The Firm's governmental engagements were included in its latest review.

MarcumRachlin	Total	Governmental Staff
Partners	26	3
Senior Managers	14	1
Managers	12	3
Supervisors	11	3
Seniors	21	11
Staff Accountants	50	22
Operations	69	2



4. PARTNERS, SUPERVISORY, AND STAFF QUALIFICATIONS AND EXPERIENCE

TEAM STRUCTURE



The experience of the personnel assigned to the engagement is critical to providing you with an effective and efficient audit. Their prior experience with the Town will be invaluable to the engagement. These are the professionals who will be on the job on a day-to-day basis; they need to be experienced in auditing governmental entities. These professionals are familiar with the complexities of governmental accounting, auditing and financial reporting, including all GASB pronouncements, the Federal and Florida Single Audit Acts, OMB Circular A-133, fund operations, State laws and Rules of the Auditor General.

The individuals listed will be assigned to the engagement. The partners and the manager assigned

to this engagement are licensed to practice in the State of Florida. Each of these individuals have maintained the required CPE in governmental accounting and have attended an Ethics course for CPA's in Florida. The following pages provide a brief description of each individual's experience in governmental audits.

Resumes on each partner and manager that will be assigned to this engagement team are on the following pages. Our commitment to active participation in local governmental organizations is included in the resumes. The resumes also include each individual's educational background and other pertinent information.



QUALIFICATIONS OF KEY STAFF

G. Jerry Chiocca, CPA Audit Engagement Partner

As the audit engagement partner, Mr. Chiocca will assume full responsibility for all services provided to the Town and will maintain continuous contact with management of the Town. Mr. Chiocca has more than 35 years experience in the governmental accounting and auditing sector. He will be responsible for the form and content of the audit workpapers as well as the review of the Town's financial statements in accordance with Firm and professional standards.

Mr. Chiocca is the Firm's quality control partner for all governmental and not-for-profit engagements.

Susan Friend, CPA Quality Review Partner

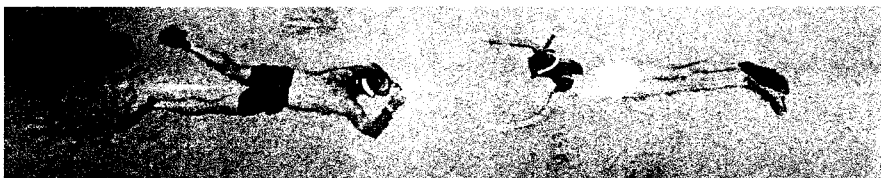
Susan Friend has more than 20 years experience in the governmental accounting and auditing sector and is highly qualified to serve as the quality review partner for the Town's engagement. In this capacity, Ms. Friend will be available to members of the engagement team and management of the Town as a high-level technical resource. She also will review the financial statements, related independent auditor's report and other documents to ensure that industry standards have been adhered to and that the financial statements are in conformity with Firm and authoritative pronouncements regarding disclosure, format, terminology, etc.

Andrew Fierman, CPA Audit Manager

As the manager, Andrew Fierman will be responsible for the planning and direction of the audit, developing audit programs, selecting and assigning personnel and reviewing all phases of the audit. He will maintain contact with the Town personnel, coordinate ongoing work and advise management on the status of the engagement. As the senior manager, Mr. Fierman will report to the audit partner. He has 8 years of experience serving clients in the governmental sector.

Antonio Namia IT Manager

Antonio Namia is a manager and has more than 10 years experience in the technology sector. Mr. Namia will be responsible for developing and assessing IT internal controls over financial reporting, IT security, disaster recovery and information systems management.



A. PARTNERS

Partners have the primary responsibility for assuring that the Firm's commitments to the client are carried out to the client's satisfaction.

PARTNERS

Essential Functions

- Responsible for Firm-wide audit practice
- Allocates Firm's resources to meet client's needs
- Assumes overall responsibility for audit
- Discusses important aspects of audit with client
- Resolves any audit issues with client
- Reviews the audit documentation to ensure the audit is carried out with due professional care
- Reviews financial statements, auditor's reports, and management letter comments and discusses them with client
- Signs audit reports and management letters
- Meets with management on an as-needed basis
- Communicates progress of the engagement, problems, and resolutions to the client

B. MANAGER

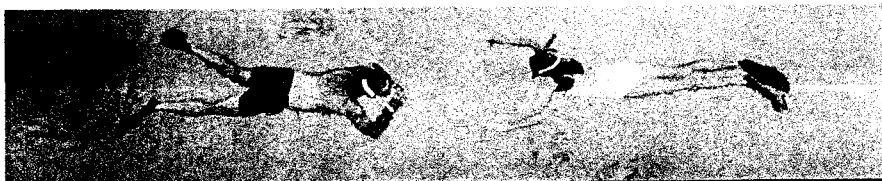
The manager oversees the engagement and communicates with the client on a one-on-one basis.

PARTNERS

MANAGER

Essential Functions

- Plans, schedules, and staffs the engagement
- Evaluates internal controls and work programs prepared by senior and staff
- Reviews working papers for accuracy and completeness and reviews financial statements for suitability of presentation and adequacy of disclosures
- Anticipates problem areas of the engagement and questions that will arise
- Keeps partners informed of all important developments on the engagement, analyzes problems and recommends solutions
- Supervises seniors and staff and reviews workpapers prepared by seniors and staff to ensure that they are prepared in accordance with generally accepted professional and Firm standards
- Resolves accounting and auditing problems as they arise
- Reviews with the partner significant findings or questions that arise involving accounting principles or statement presentations
- Writes comments for management letters
- Reviews financial statements, notes, schedules, and management letters for later discussion between the partner and the client
- Communicates the engagement's progress, problems, resolutions, and other concerns to the client



C. SENIOR/STAFF AUDITORS

Senior and staff auditors perform a wide variety of diversified assignments under the direction of supervisory professionals.

PARTNERS

MANAGER

SENIOR/STAFF AUDITORS

Essential Functions

- Performs less complex audit procedures as assigned by the manager
- Performs tests of transactions and accounts
- Prepares and indexes audit documentation
- Tests client accounting and analysis schedules
- Proposes audit adjustments for review by the manager
- Assists in the preparation of mailing of confirmation requests
- Informs the manager of audit issues
- Assists in proofing financial statements
- Performs audit procedures as assigned by the manager
- Studies and evaluates the client's internal controls

ASSURANCE

G. Jerry Chiocca

G. Jerry Chiocca is a partner in the Firm's Assurance division and partner-in-charge of the division's public sector team. As partner-in-charge, Mr. Chiocca is responsible for establishing and monitoring quality control measures. In addition, he conducts in-house continuing professional education seminars regarding governmental and not-for-profit accounting and auditing issues.

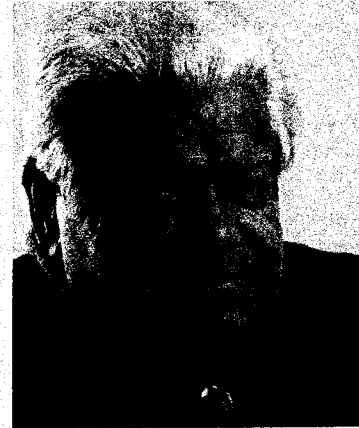
For more than 35 years, Mr. Chiocca has provided services to government, not-for-profit, public sector, and commercial clients. Over the course of his career, he has been involved in thousands of engagements. He has performed more than 300 peer reviews for CPA firms in Florida, New York, New Jersey, North Carolina, and California.

Fifteen years ago, Mr. Chiocca established the annual Governmental Symposium, a seminar for government and municipal professionals throughout South Florida. Under his leadership, the symposium provides insight and offers valuable accounting information and technical discussions that benefit area agencies and organizations.

Professional & Civic Affiliations

American Institute of Certified Public Accountants (AICPA)
AICPA Government Audit Quality Center, Designated Partner
Florida Institute of Certified Public Accountants (FICPA)
FICPA Committee on State and Local Government
FICPA Committee on Peer Review, Former Chairman
Government Finance Officers Association (GFOA)
South Florida Chapter of the GFOA
GFOA Special Review Committee
Miami-Dade, Broward & Palm Beach County League of Cities
St. Thomas University President's Board of Advisors

CPE (past four years)	
Governmental	152
Other (Accounting, Auditing, Technical and Behavioral)	94
Total	246



**G. Jerry Chiocca, CPA
Partner**

PROFILE

AREAS OF EXPERTISE

Financial Audits
Municipal Operational Reviews
Municipal Finance
Water and Waste Water Audits
Special District Audits
Federal Single Audits
Florida Single Audits
Utility Rate Regulated Issues
Peer Reviews

KEY CLIENTS

Local Governments
Not-for-Profit Organizations
Real Estate Companies
Manufacturers
Governmental Pension Plans
Construction Contractors

EDUCATION

Bachelor of Arts,
St. Thomas University

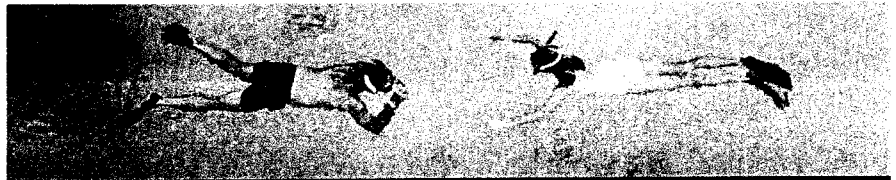
**MARCUM
RACHLIN**
ACCOUNTANTS & ADVISORS
A Division of Marcum LLP

One Southeast Third Avenue, Tenth Floor • Miami, Florida 33131
305.377.4228 • jerry.chiocca@marcumrachlin.com • www.marcumrachlin.com

FLORIDA • NEW YORK • NEW JERSEY • CONNECTICUT • PENNSYLVANIA • GRAND CAYMAN

**CURRENT AND FORMER CLIENTS**

G. JERRY CHIOCCA, CPA <i>Government Experience</i>	Years on Job	Position on Job
Broward County	4	Engagement Partner
City of Aventura	3	Engagement Partner
City of Boca Raton	2	Concurring Review Partner
City of Doral	3	Engagement Partner
City of Hialeah	6	Engagement Partner
City of Homestead	8	Engagement Partner
City of Lake Worth	3	Engagement Partner
City of Miami	2	Engagement Partner
City of Miami Gardens	3	Engagement Partner
City of Miramar	9	Engagement Partner
City of North Bay Village	7	Engagement Partner
City of North Miami	12	Concurring Review Partner
City of North Miami Beach	27	Engagement Partner
City of Oakland Park	2	Engagement Partner
City of Oakland Park	3	Concurring Review Partner
City of Pembroke Pines	9	Concurring Review Partner
City of South Miami	6	Engagement Partner
City of Sunny Isles Beach	6	Engagement Partner
City of Sunrise	2	Engagement Partner
City of Tamarac	3	Engagement Partner
Gateway Services District	2	Engagement Partner
Indian Creek Village	5	Engagement Partner



G. JERRY CHIOCCA, CPA <i>Government Experience</i>	Years on Job	Position on Job
Miami-Dade Water & Sewer Department	4	Engagement Partner
Miami Shores Village	13	Engagement Partner
Seacoast Utility Authority	9	Engagement Partner
South Central Regional	1	Engagement Partner
Town of Bal Harbour Village	6	Engagement Partner
Town of Lauderdale-By-The-Sea	7	Engagement Partner
Town of Palm Beach Shores	1	Concurring Review Partner
Town of South Palm Beach	3	Engagement Partner
Village of Golf	8	Engagement Partner
Village of Key Biscayne	15	Concurring Review Partner
Village of Palmetto Bay	4	Engagement Partner
Village of Pinecrest	6	Engagement Partner
Village of Tequesta	5	Engagement Partner
Village of Wellington	1	Concurring Review Partner
South Central Regional Wastewater Treatment Board	1	Engagement Partner
West Lauderdale Water Control District	20	Engagement Partner

ASSURANCE

Susan L. Friend

Susan Friend is a partner in MarcumRachlin's Assurance division. She has more than 20 years experience in the governmental and not-for-profit arena with a concentration in accounting, auditing, and management advisory services. Over the course of her career, Ms. Friend's involvement with governmental entities has been extensive. She has served as the partner-in-charge of governmental audit engagements for counties, cities, towns, villages, special districts, and school districts, and has performed reviews of proposed annual budgets for governmental entities. In addition, Ms. Friend has provided guidance to governmental entities in implementing new GASB standards.

Ms. Friend has been responsible for the quality review of workpapers and financial statements for governmental and not-for-profit clients. In addition, she has developed and presented courses on a variety of governmental accounting topics for staff to meet annual continuing and professional education requirements. Ms. Friend also is the author of a comprehensive audit program for governmental audit engagements. She serves on the board of directors of the Firm's Assurance division where she leads the internal financial reporting committee.

Professional & Civic Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)
New York State Society of Certified Public Accountants
Government Finance Officers Association (GFOA)
GFOA Committee on Accounting, Auditing, and Financial Reporting (CAAFR), Advisor
GFOA Special Review Committee, Certificate of Achievement for Excellence in Financial Reporting
Florida GFOA & South Florida GFOA
Greater Fort Lauderdale Chamber of Commerce, Trustee Member
River Walk Trust, Member
American Women's Society of CPAs
Miami-Dade County & Broward County League of Cities
Rachlin Foundation, Board Member

Articles, Seminars & Presentations

FGFOA School of Governmental Finance, Fraud Training
Institute of Internal Auditors, Panelist
Internal CPE Training:
Governmental Accounting & Governmental Auditing Standards
Risk-Based Approach to Governmental Audits

Awards & Recognition

2006 Key Partner Award, *South Florida Business Journal*,
Accounting-Audit Winner

CPE (past four years)	
Governmental	172
Other (Accounting, Auditing, Technical and Behavioral)	98
Total	270

**MARCUM
RACHLIN**
ACCOUNTANTS & ADVISORS

A Division of Marcum LLP

777 South Flagler Drive, Suite 150 • West Palm Beach, Florida 33401
Phone 561.833.0002 • susan.friend@marcumrachlin.com • marcumrachlin.com

NEW YORK • NEW JERSEY • CONNECTICUT • PENNSYLVANIA • FLORIDA • GRAND CAYMAN



**Susan L. Friend, CPA
Partner**

PROFILE

AREAS OF EXPERTISE

Financial Audits
Federal Single Audits
Florida Single Audits
Budget Analysis & Reviews
Peer Reviews
Operational & Performance Reviews
Advisory Services

KEY CLIENTS

Local Governments
County Governments
Special Districts
Governmental Pension Plans
Utility Services
School Districts
Not-for-Profit Organizations

EDUCATION

Bachelor of Science, Accounting,
Fairleigh Dickinson University



Ms. Friend was the audit partner on the following governmental engagements in Florida.

SUSAN L. FRIEND, CPA <i>Government Experience</i>	Years on Job	Position on Job
Broward County	4	Engagement Partner
City of Boca Raton	2	Engagement Partner
City of Lake Worth	1	Engagement Partner
City of Miami	3	Engagement Partner
Florida Inland Navigation District	2	Engagement Partner
Town of Lantana	2	Engagement Partner
Village of Wellington	1	Engagement Partner

ASSURANCE

Andrew S. Fierman

Andrew Fierman is a manager within MarcumRachlin's Assurance division. In this role, Mr. Fierman supervises staff and reviews work papers to ensure that they are prepared in accordance with generally accepted professional as well as firm standards. He also evaluates his clients' internal controls and prepares and reviews financial statements.

Mr. Fierman lends his experience to a variety of clients, including not-for-profit entities, local governments and several pension plans. Specifically, his advice and expertise were integral components of more than 10 municipal audits.

Professional & Civic Affiliations

American Institute of Certified Public Accountants (AICPA)
Florida Institute of Certified Public Accountants (FICPA)
South Florida Government Finance Officers Association,
Associate Member
GFOA Special Review Committee

Articles, Seminars & Presentationa

Internal CPE Training, Instructor

CPE (past four years)	
Governmental	111
Other (Accounting, Auditing, Technical and Behavioral)	128
Total	239



**Andrew S. Fierman, CPA
Manager**

PROFILE

AREAS OF EXPERTISE

Municipal Audits
Federal Single Audits
Florida Single Audits
Employee Benefit Plans

KEY CLIENTS

Local Governments
Not-for-Profit Organizations
Governmental Pension Plans
ERISA Pension Plans

EDUCATION

Master of Business Administration,
Florida International University

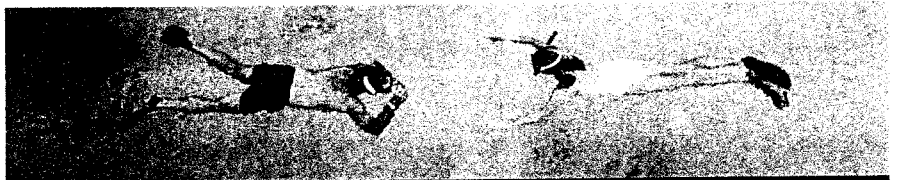
Bachelor of Science, Accounting,
University of Florida

**MARCUM
RACHLIN**
ACCOUNTANTS & ADVISORS

A Division of Marcum LLP

One Southeast Third Avenue, Tenth Floor • Miami, Florida 33131
Phone 305.377.4228 • andrew.fierman@marcumrachlin.com • marcumrachlin.com

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CURRENT AND FORMER CLIENTS

ANDREW S. FIERMAN, CPA <i>Government Experience</i>	Years on Job	Position on Job
City of Doral	1	Staff
City of Hialeah	3	Supervisor
City of Hialeah Gardens	1	Supervisor
City of Marathon	1	Staff
City of Miramar	1	Supervisor
City of North Miami	5	Supervisor
City of North Miami Beach	4	Supervisor
City of Pembroke Pines	1	Senior
Indian Creek Village	1	Staff
Town of Cutler Bay	1	Supervisor
Town of Lauderdale by the Sea	2	Senior
Village of Golf	1	Senior
Village of Pinecrest	3	Supervisor

Antonio Namia

Antonio Namia is a manager in the Firm's Assurance division. In this capacity, he is responsible for the assessment of the internal controls of Firm clients as they relate to financial audits.

Mr. Namia has more than 10 years of experience working with technology in the business sector. His experience includes IT infrastructure, e-mail systems, backup, data recovery, and networking. He has assisted with numerous audit engagements, developing and assessing internal controls over financial reporting, IT security, disaster recovery, and information systems management. In addition, Mr. Namia has worked with MarcumRachlin's computer forensics and information security teams, helping to bridge the gap between financial audits and internal controls and information systems auditing. Some of his recent IT assessments for financial audits have dealt with issues including risk-based management, Sarbanes-Oxley, COSO and COBIT frameworks, governance, controls, and processes.

Professional & Civic Affiliations

Information Systems Audits and Controls Association, Member

Articles, Seminars & Presentations

"ePace for Beginning and Advanced Users," Internal Training



Antonio Namia
Manager

PROFILE

AREAS OF EXPERTISE

Internal Controls Assessments
Risk Assessments
Information Systems Reviews

KEY CLIENTS

Local Governments
Commercial Entities
Public Companies

EDUCATION

Bachelor of Business
Administration, Accounting
Florida Atlantic University

**MARCUM
RACHLIN**

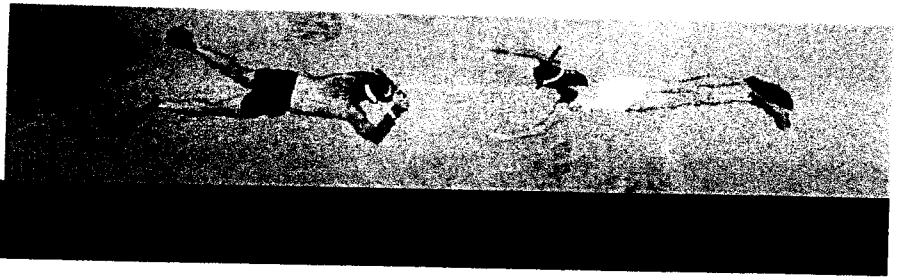
ACCOUNTANTS • ADVISORS

A Division of Marcum LLP

777 South Flagler Drive, Suite 150 • West Palm Beach, Florida 33401

Phone 561.833.0002 • antonio.namia@marcumrachlin.com • marcumrachlin.com

FLORIDA • NEW YORK • NEW JERSEY • CONNECTICUT • PENNSYLVANIA • GRAND CAYMAN



5. SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENT ENTITIES

The following are five audit engagements with similar requirements to those of the Town. All are current audit clients, and all audits have a September 30 fiscal year-end.

	Scope of Work	Date	Engagement Partner	Audit Hours
MarcumRachlin A Division of Marcum LLP				
City of Boca Raton Ms. Linda Davidson, Finance Director (561) 393-7737	Financial, Single and Pension Audits	9/30/07- Present	Susan Friend	1275
City of Miramar Ms. Celeste Lucia, Finance Director (954) 602-3049	Financial and Single Audits	9/30/98- Present	G. Jerry Chiocca	900
Village of Tequesta Ms. Jody Forsythe Director of Finance (561) 575-6200	Financial, Single and Pension Audits	9/30/02- Present	G. Jerry Chiocca	400
Village of Key Biscayne Ms. Bea Galeano, Acting Finance Director (305) 365-8903	Financial, Single and Pension Audits	9/30/92- Present	Michael D. Futerman	350
South Central Regional Wastewater Treatment Board Ms. Margaret Woodall Finance Administrator (561) 272-7061	Financial and Single Audits	9/30/02- Present	G. Jerry Chiocca	300

In addition to the five audit engagements listed above, please see the list of audit clients included with the resumes of each member of the audit engagement team. Additional references can be provided upon request.



The following additional reports will be issued if a single audit is required:

- Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance Projects.
- Report on compliance and internal control over compliance applicable to each major federal and state program.

Additionally, certain limited procedures will be applied to the required supplementary information and management's discussion and analysis.

As part of our audit, financial condition assessment procedures will be used to assist in the detection of a deteriorating financial condition as established under Florida Statutes 218.503.

Required Standards

The Firm's audit will be performed in accordance with the following requirements, as applicable:

- Statements on Auditing Standards issued by the AICPA
- *Government Auditing Standards*, issued by the Comptroller General of the United States
- *Codification of Governmental Accounting and Financial Reporting Standards*, as promulgated by the Governmental Accounting Standards Board
- *Audit and Accounting Guide, State and Local Governments*, published by the American Institute of Certified Public Accountants (AICPA)
- Statements and interpretations issued by the Financial Accounting Standards Board
- Florida Statutes, Chapter 189
- Florida Statutes, Section 218.39
- Rules of the Auditor General, State of Florida, Chapter 10.550
- State of Florida Department of Financial Services

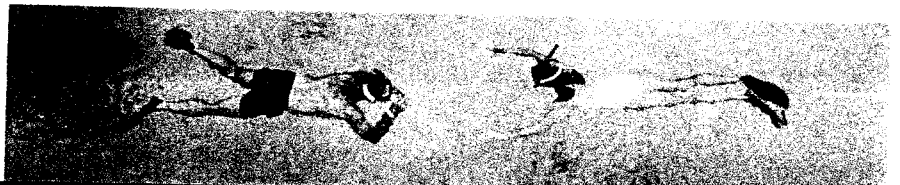
- OMB Circular No. A-133, Office of Management and Budget, *Audits of the States, Local Governments and Non-Profit Organizations issued by the United States*
- United States Single Audit Act of 1996, as amended
- Florida Single Audit Act, (Section 215.97, Florida Statutes) and Chapter 270-1, Rules of the Executive Office of the Governor
- All other applicable provisions of rules, regulations, statutes or orders which may pertain to the engagement

Monitoring and Communication

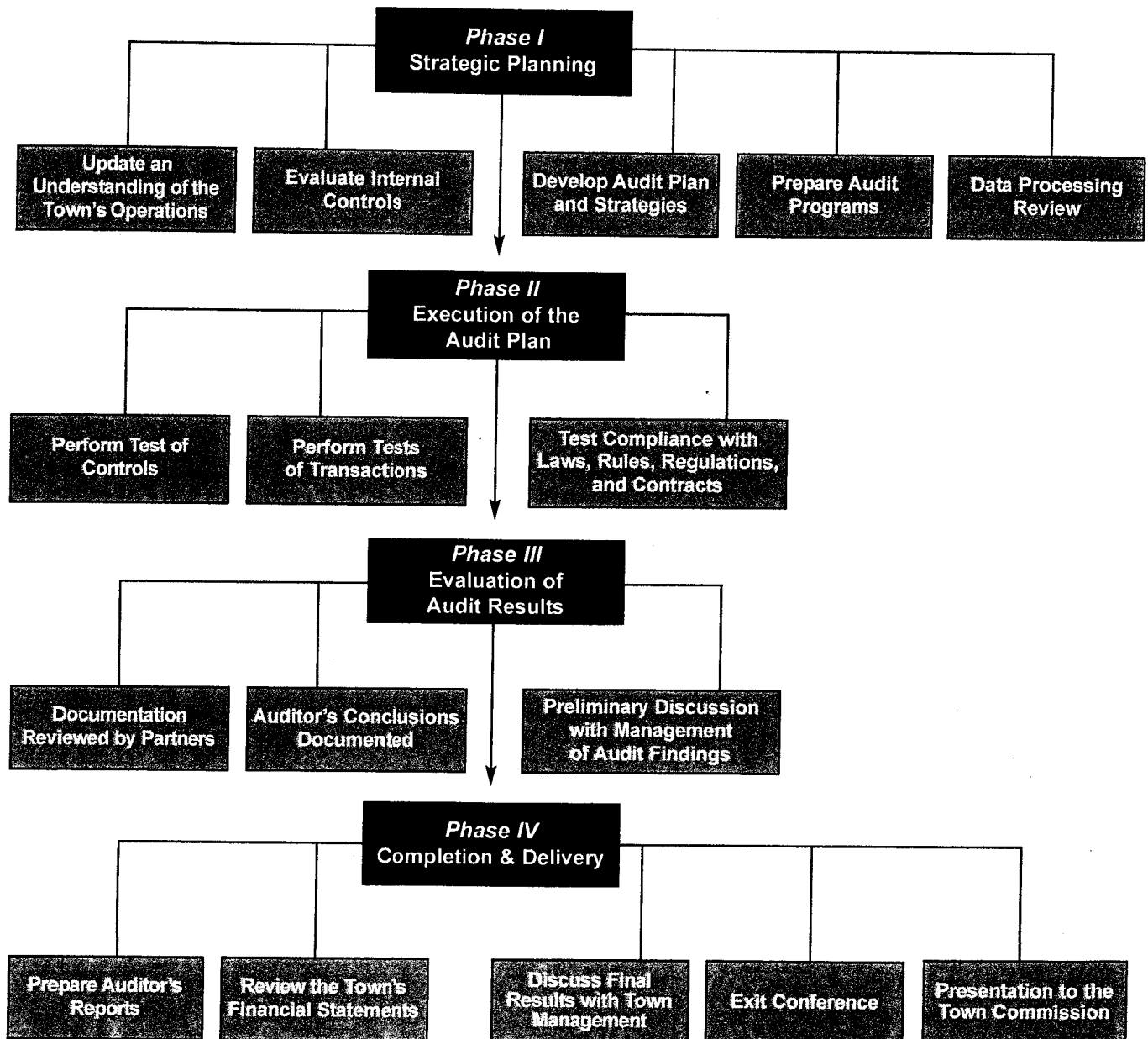
The Firm will report the following information to the Town Commission.

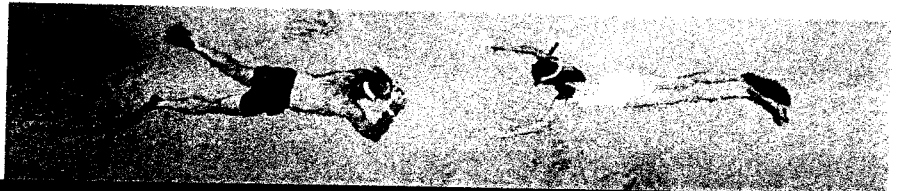
- The auditor's responsibility under generally accepted auditing standards and Government Auditing Standards
- Significant accounting policies
- Management's judgments and accounting estimates
- Significant audit adjustments
- Other information in documents containing audited financial statements
- Disagreements with management
- Management consultation with other accountants
- Major issues discussed with management prior to retention
- Difficulties encountered in performing the audit

Should the audit team become aware of fraud, irregularities or illegal acts, they will make an immediate written report to the Town Commission, Town Manager, Finance Director, as well as the Town Attorney.



The audit will be conducted in four phases, as shown below. These phases are discussed in more detail on the following pages.





SEGMENTATION AND TIMELINES

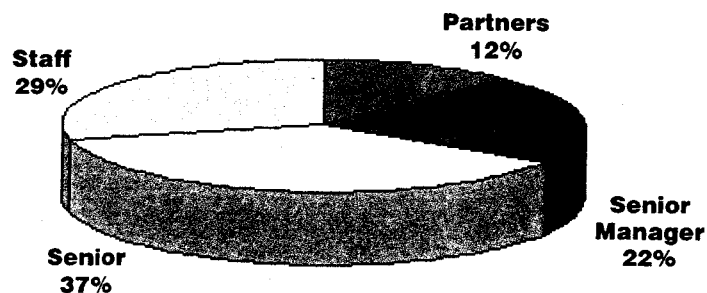
The following is a summary of the proposed hours for the audit engagement.

	Partners	Manager	Senior	Staff	Total
Strategic Planning	15	25	20	15	75
Execution of the Audit Plan	10	50	120	95	275
Evaluate Audit Results	5	5	10	-	20
Reporting	20	15	10	10	55
	<u>50</u>	<u>95</u>	<u>160</u>	<u>120</u>	<u>425</u>

The timeline for completing each phase of the audit for the second and third year of the contract is as follows:

Detailed Audit Plan	By September 15 of each year of contract
Strategic Planning and Entrance Conference	By October 30 of each year of contract
Execution of the Audit Plan	By January 15 of each year of contract
Evaluate Audit Results	By February 1 of each year of contract
Reporting	Report by February 15 of each year of contract

The estimated participation of assigned staff is shown in the graph below.





Phase I: Strategic Planning

A thorough understanding of the Town and its operating environment is essential for developing an efficient, cost-effective audit plan. During this phase, the engagement partner and key supervisory personnel will meet with the appropriate personnel to update an understanding of operations. You will also have the opportunity to express your expectations regarding the services that we will provide. This effort will be coordinated so that there will be minimal disruption to your staff. During this phase we will perform the following activities:

- Review the current regulatory and statutory compliance requirements within which the Town operates. This will include a review of applicable federal and state regulations; ordinances, bond covenants, contracts, and other agreements; meeting minutes of the Town Commission.
- Review major sources of information such as budgets, organization charts, procedures manuals, financial systems and management information systems.
- Determine the most practical and effective way to apply computer-aided audit tools to convert and analyze data and generate reports.
- Review internal control systems, including determining an audit risk assessment.
- Consider the methods used to process accounting information that influence the design of the internal control system. This includes understanding the design of relevant policies, procedures, and records and whether they have been placed in operation.
- Design audit programs to ensure that they incorporate financial statement assertions, specific audit objectives and appropriate audit procedures to achieve the specified objectives.
- Identify and resolve accounting, auditing and reporting matters.
- Prepare detailed audit plans, including a list of schedules to be prepared by Town personnel.

Specific Fraud Investigative Techniques

Statement of Auditing Standards No. 99 imposes on auditors the additional responsibility to "plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements due to fraud."

By redirecting our efforts through a risk-based approach and additional fraud inquiry techniques, audits are significantly enhanced.

Phase II: Execution of Audit Plan

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matters that may impact the completion of our audit work or require the attention of management. Tasks to be performed in Phase II include, but are not limited to:

- Apply analytical procedures to assist in planning the nature, timing and extent of auditing procedures used to obtain evidential matter for specific account balances or transaction classes.
- Perform substantive account balance and transaction tests. Statistical samples will be drawn from major transaction systems, including cash disbursements, cash receipts, accounts payable, and payroll. The size of the samples will be determined after the review of the internal control system. There are four types of tests that involve audit sampling:

Account Balance Tests

Substantive tests of account balances are performed on year-end balances. Certain accounts justify a 100 percent examination, such as confirming a bank balance, which does not involve sampling at all.



Transaction and Control Tests

Substantive transaction and control tests are often combined to use one sample to achieve more than one audit objective. We would also test the controls to verify that the transactions were properly authorized in accordance with the Town's procedures.

Compliance Tests

Compliance tests with laws and regulations are included with the tests of transactions and controls. Additional samples are sometimes necessary to test specific laws and regulations. Sample sizes for compliance testing are determined based on the number of transactions and the significance of the requirement.

The audit team will report on a bi-weekly basis to the Town the status of any potential adjustments so the Town may have adequate time to investigate, gather information and respond, if necessary.

Information Technology Audit Techniques

In accordance with SAS No. 94, we are required to gain an understanding of the procedures, both automated and manual, by which transactions are initiated, recorded, processed and reported, from their occurrence to their inclusion in the financial statements. During the planning stage of our audit, we evaluate the effect information technology (IT) will have in performing our audit procedures. This evaluation includes obtaining an understanding (generally through observations and inquiries of IT personnel) of the client's internal controls and identifying those controls that are automated.

When key internal controls are automated, we use our IT specialist to perform a detailed review of those automated controls. Our IT specialist will then communicate to the audit engagement team as to

whether such controls are working as prescribed by management. With this information, the audit engagement team determines the extent of their audit procedures.

In client situations where there is significant accounting data processed electronically, we use a state-of-the-art software program to extract and summarize computerized financial data files. Some of the uses of this program are:

- Retrieving aged receivables information
- Extracting credit balances in accounts receivable reports
- Extracting sample items from reports for testing
- Merging files for the purposes of extracting information that meets predetermined criteria
- Sorting information

This program provides an efficient way for us to extract and test computerized accounting information, enabling us to audit through the computer, rather than around the computer.

Phase III: Evaluation of Audit Results

This phase includes a review of all audit documentation by the partners to ensure that testing and documentation support the conclusions reached. This phase also includes preliminary discussions with management of the audit findings.

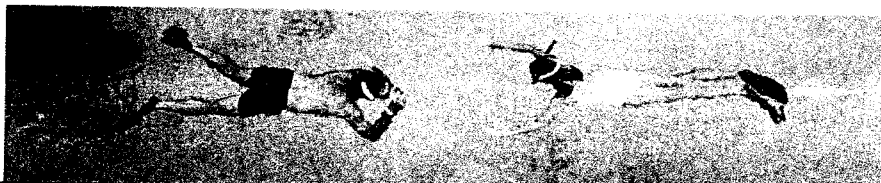
Phase IV: Reporting

In this phase of the audit, the engagement team will complete the tasks related to the closing of year-end balances and financial reporting. This will include final testing in areas including compliance, balance sheet accounts, revenues and expenditures.

All required reports will be delivered in draft form to the Town by February. The audit partner will be available to attend the Town Commission meeting to present the audit report.

Town of

LAURENCE
LAURENCE
BY-THE-SEA



MANAGEMENT LETTER

The Firm will prepare a management letter for the Town to identify systemic deficiencies observed. The letter also may offer recommendations for changes in accounting and other procedures in order to improve operations of the Town.

As each potential management letter point is identified in the audit process, the engagement team will document the condition, our recommendation, and the benefits of the recommended action. All potential comments will be reviewed with key staff members before issuance.

The Firm's policy is to prepare this report as a vehicle for suggesting improvements to enhance efficiency, management effectiveness, and the degree of internal control.

7. IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

The Firm does not anticipate any potential audit problems. Our service team understands the industry issues relevant to the Town. The combination of our Firm's resources, level of partner involvement and experienced team members provides an excellent service team of professionals capable of servicing the Town's needs.

Regular communication will be ongoing with the Town's personnel, allowing for timely knowledge of the Town's matters as they arise. When we learn of matters the Town may not be aware of, we will be active in conveying relevant information.

We are very much aware of audit requirements and accounting requirements affecting the Town's audits. As with other issues that may arise, we will work with the Town throughout the year to achieve appropriate resolution. GASB Standards required to be implemented during the life of the contract are *No. 51, Accounting and Financial Reporting for Intangible Assets*; *No. 53, Accountancy and Financial Reporting for Derivative Instruments*; and *No. 54, Fund Balance Reporting and Governmental Fund Type Deficiencies*. These standards may or may not have an impact on the Town's financial statements.

Appendix A

Qualifier Warranties

APPENDIX A

QUALIFIER WARRANTIES

- A. Qualifier warrants that it is willing and able to comply with State of Florida laws with respect to foreign (non-state of Florida) corporations.
- B. Qualifier warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Qualifier warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.
- D. Qualifier warrants that all information provided by it in connection with this qualification is true and accurate.

Signature of Official: G. Jerry Chiocca

Name (typed): G. Jerry Chiocca

Title: Partner

Firm: MarcumRachlin, a division of Marcum LLP

Date: January 19, 2010

Appendix B

Public Entities Crime Affidavit

APPENDIX B

SWORN STATEMENT ON PUBLIC ENTITY CRIMES SECTION 287.133, FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Lauderdale-By-The-Sea

By G. Jerry Chiocca
[print individual's name and title]

For MarcumRachlin, a division of Marcum LLP
[print name of entity submitting sworn statement]

whose business address is

450 East Las Olas Boulevard, Suite 950

Fort Lauderdale, Florida 33301

and (if applicable) its Federal Employer Identification Number (FEIN) is 11-1986323

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____).

2. I understand that a "public entity crime" as defined in Paragraph 287.133(l)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or the United States, including, but not limited to, any bid or contract for goods and services to be provided to any public entity or an agency or political subdivision of any other state or of the United States involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(l)(b), Florida Statutes, means a finding of guilt or a conviction or a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an "affiliate" as defined in Paragraph 287.133(l)(a), Florida Statutes, means:
- a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents

who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(l)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an entity.
6. Based on information and belief, the statement that I have marked below is true in relation to the entity submitting this sworn statement. [Indicate which statement applies.]

 X Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list, [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signed, sealed and delivered
in the presence of:

AUDITOR

By: G. Jerry Chiocca

G. Jerry Chiocca

(Printed Name)

Partner

(Title)

Witness my hand and official notary seal/stamp at Miami, Florida the day
and year written above.

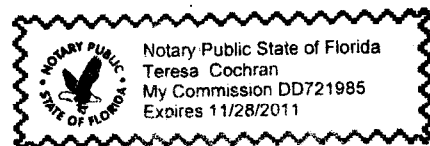
STATE OF FLORIDA)
COUNTY OF Miami-Dade)SS:

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments,
personally appeared G. Jerry Chiocca as Partner of MarcumRachlin,
of a division of Marcum LLP, an organization authorized to do business in the State of
Florida, and acknowledged executing the foregoing Affidavit as the proper official of for the use and
purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the
instrument is the act and deed of that corporation. He / She is personally known to me or has produced
as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County
aforesaid on this 19th day of January, ~~200~~ 2010

Teresa Cochran
NOTARY PUBLIC

My Commission Expires:



Appendix C
Non-Collusion Affidavit

APPENDIX C

NON-COLLUSION AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / ~~She~~ is Partner of MarcumRachlin, a division of Marcum LLP, the Qualifier that has submitted the attached Qualification;
2. He / ~~She~~ is fully informed respecting the preparation and contents of the attached Qualification and of all pertinent circumstances respecting such Qualification;
3. Such Qualification is genuine and is not a collusive or sham Qualification;
4. Neither said Qualifier nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Qualifier, firm or person to submit a collusive or sham qualification in connection with the Agreement for which the attached Qualification has been submitted or to refrain from qualifying in connection with such Agreement, or has in any manner, directly or indirectly, sought by agreement of collusion or communication of conference with any other Qualifier, firm, or person to fix the price or prices, or of any other Qualifier, or to fix any overhead, profit or cost element of the qualification or the response of any other Qualifier, or to secure through any collusion, connivance, or unlawful agreement any advantage against Lauderdale-By-The-Sea, Florida, or any person interested in the qualified Agreement; and

[THIS SPACE INTENTIONALLY LEFT BLANK]

5. The response to the attached RFQ is fair and proper and is not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Qualifier or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

G. Jerry Chiocca
Signature (Blue ink only)

G. Jerry Chiocca
Print Name

Partner
Title

January 19, 2010
Date

Witness my hand and official notary seal/stamp at Miami, Florida the day and year written above.

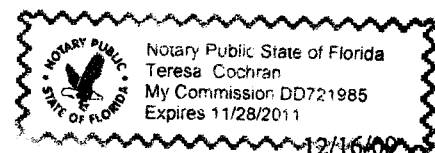
STATE OF FLORIDA)
)SS:
COUNTY OF Miami-Dade)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared G. Jerry Chiocca as Partner of MarcumRachlin, of a division of Marcum LLP, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of _____ for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / ~~She~~ is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 19th day of January, 2010.

Teresa Cochran
NOTARY PUBLIC

My Commission Expires:



Appendix D

Acknowledgement of Addenda

APPENDIX D

ACKNOWLEDGMENT OF ADDENDA

None

The Qualifier hereby acknowledges the receipt of the following addenda issued by the Town and incorporated into and made part of this RFQ. In the event the Qualifier fails to include any such addenda in the table below, submission of this form shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her.

ADDENDUM NUMBER	DATE RECEIVED	PRINT NAME	TITLE	SIGNATURE (BLUE INK ONLY)

[THIS SPACE INTENTIONALLY LEFT BLANK]

Appendix E
Independence Affidavit

APPENDIX E
INDEPENDENCE AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is Partner of MarcumRachlin, a division of Marcum LLP, the Qualifier that has submitted the attached Qualification;
2. (a) Below is a list and description of any relationships, professional, financial or otherwise that Qualifier may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years.

(b) Additionally, the Qualifier agrees and understands that Qualifier shall give the Town written notice of any other relationships professional, financial or otherwise that Qualifier enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of this Agreement.

(If paragraph 2(a) above does not apply, please indicate by stating, "not applicable" in the space below.)

~~[THIS SPACE INTENTIONALLY LEFT BLANK]~~

MarcumRachlin, a division of Marcum LLP (formerly Rachlin LLP), previously audited the basic financial statements of the Town of Lauderdale-By-The-Sea, including the Town's Volunteer Fire Department Pension Plan for the past five years.

This is not deemed an independence concern as our function is to independently audit financial statements of municipalities.

6. I have attached an additional page to this form explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in the RFQ.

G. Jerry Chiocca
Signature (Blue ink only)

G. Jerry Chiocca
Print Name

Partner
Title

January 19, 2010
Date

Witness my hand and official notary seal/stamp at Miami, Florida the day and year written above

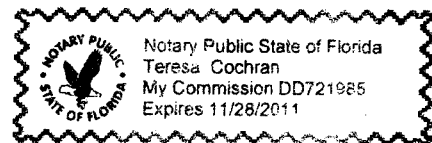
STATE OF FLORIDA)
)SS:
COUNTY OF Miami-Dade)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared G. Jerry Chiocca as Partner of MarcumRachlin, xx of x a division of Marcum LLP, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of _____ for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / ~~She~~ is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 19th day of January, 200 10.

Teresa Cochran
NOTARY PUBLIC

My Commission Expires:



Appendix F

Peer Review Reports



AMPER, POLITZINER & MATTIA, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
and CONSULTANTS

NEW YORK, NEW YORK
(212) 682-1600

BRIDGEWATER, NEW JERSEY
(908) 218-5002

HACKENSACK, NEW JERSEY
(201) 678-1400

PRINCETON, NEW JERSEY
(609) 897-0200

WALL, NEW JERSEY
(732) 919-1400

2015 LINCOLN HIGHWAY
P.O. BOX 988
EDISON, NJ 08818-0988

PHONE: (732) 287-1000
FAX: (732) 287-3200

WWW.AMPER.COM

To the Partners of
Rachlin Cohen & Holtz LLP
And the Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Rachlin Cohen & Holtz LLP (the firm) applicable to non-SEC issuers in effect for the year ended April 30, 2007. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Rachlin Cohen & Holtz LLP in effect for the year ended April 30, 2007, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year ended to provide the firm with reasonable assurance of complying with applicable professional standards.

 an independent member of
BAKER TILLY
INTERNATIONAL

As is customary in a peer review, we have issued a letter under this date that sets forth comments relating to certain policies and procedures or compliance with them. The matters described in the letter were not considered to be of sufficient significance to affect the opinion expressed in this report.

Amper, Politziner & Mattia P.C.

Amper, Politziner & Mattia P.C.
August 30, 2007

Attachment to the Peer Review Report of Rachlin Cohen & Holtz LLP
Description of the Peer Review Process

Overview

Firms enrolled in the AICPA Center for Public Company Audit Firms (the Center) Peer Review Program have their system of quality control periodically reviewed by independent peers. These reviews are system and compliance oriented with the objectives of evaluating whether:

The reviewed firm's system of quality control for its accounting and auditing practice applicable to non-SEC issuers has been designed to meet the requirements of the Quality Control Standards established by the AICPA.

The reviewed firm's quality control policies and procedures applicable to non-SEC issuers were being complied with to provide the firm with reasonable assurance of complying with professional standards.

A peer review is based on selective tests and directed at assessing whether the design of and compliance with the firm's system of quality control for its accounting and auditing practice applicable to non-SEC issuers provides the firm with reasonable, not absolute, assurance of complying with professional standards. Consequently a peer review on the firm's system of quality control is not intended to, and does not, provide assurance with respect to any individual engagement conducted by the firm or that none of the financial statements audited by the firm should be restated.

The Center's Peer Review Committee (PRC) establishes and maintains peer review standards. At regular meetings and through report evaluation task forces, the PRC considers each peer review, evaluates the reviewer's competence and performance, and examines every report, letter of comments, and accompanying response from the reviewed firm that states its corrective action plan before the peer review is finalized. The Center's staff plays a key role in overseeing the performance of peer reviews working closely with the peer review teams and the PRC.

Once the PRC accepts the peer review reports, letters of comments, and reviewed firms' responses, these documents are maintained in a file available to the public. In some situations, the public file also includes a signed undertaking by the firm agreeing to specific follow-up action requested by the PRC.

Firms that perform audits or play a substantial role in the audit of one or more SEC issuers, as defined by the Public Company Accounting Oversight Board (PCAOB), are required to be registered with and have their accounting and auditing practice applicable to SEC issuers inspected by the PCAOB. Therefore, we did not review the firm's accounting and auditing practice applicable to SEC issuers.

**Planning the Review for the Firm's Accounting and Auditing Practice
Applicable to Non-SEC Issuers**

To plan the review of Rachlin Cohen & Holtz LLP, we obtained an understanding of (1) the nature and extent of the firm's accounting and auditing practice, and (2) the design of the firm's system of quality control sufficient to assess the inherent and control risks implicit in its practice. Inherent risks were assessed by obtaining an understanding of the firm's practice, such as the industries of its clients and other factors of complexity in serving those clients, and the organization of the firm's personnel into practice units. Control risks were assessed by obtaining an understanding of the design of the firm's system of quality control, including its audit methodology, and monitoring procedures. Assessing control risk is the process of evaluating the effectiveness of the reviewed firm's system of quality control in preventing the performance of engagements that do not comply with professional standards.

**Performing the Review for the Firm's Accounting and Auditing Practice
Applicable to Non-SEC Issuers**

Based on our assessment of the combined level of inherent and control risks, we identified practice units and selected engagements within those units to test for compliance with the firm's system of quality control. The engagements selected for review included engagements performed under the Government Auditing Standards, multi-office audits, and audits of Employee Benefit Plans. The engagements selected for review represented a cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagement reviews included examining working paper files and reports and interviewing engagement personnel.

The scope of the peer review also included examining selected administrative and personnel files to determine compliance with the firm's policies and procedures for the elements of quality control pertaining to independence, integrity, and objectivity; personnel management; and acceptance and continuance of clients and engagements. Prior to concluding the review, we reassessed the adequacy of scope and conducted a meeting with firm management to discuss our findings and recommendations.

**BROWN,
EDWARDS &
COMPANY, L.L.P.**
Certified Public Accountants

To the Partners of
Marcum & Kliegman, LLP
and the Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Marcum & Kliegman, LLP (the firm) applicable to non-SEC issuers in effect for the year ended August 31, 2008. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Marcum & Kliegman, LLP in effect for the year ended August 31, 2008, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with applicable professional standards.

Brown, Edwards & Company, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

Roanoke, Virginia
December 18, 2008

Providing Professional Business Advisory & Consulting Services

319 McClanahan Street, S.W. • P.O. Box 12388 • Roanoke, VA 24025-2388 • 540-345-0936 • Fax: 540-342-6181 • www.BEcpas.com

Attachment to the Peer Review Report of Marcum & Kliegman, LLP

Description of the Peer Review Process

Overview

Firms enrolled in the AICPA Center for Public Company Audit Firms (the Center) Peer Review Program have their system of quality control periodically reviewed by independent peers. These reviews are system and compliance oriented with the objectives of evaluating whether:

The reviewed firm's system of quality control for its accounting and auditing practice applicable to non-SEC issuers has been designed to meet the requirements of the Quality Control Standards established by the AICPA.

The reviewed firm's quality control policies and procedures applicable to non-SEC issuers were being complied with to provide the firm with reasonable assurance of complying with professional standards.

A peer review is based on selective tests and directed at assessing whether the design of and compliance with the firm's system of quality control for its accounting and auditing practice applicable to non-SEC issuers provides the firm with reasonable, not absolute, assurance of complying with professional standards. Consequently, a peer review on the firm's system of quality control is not intended to, and does not, provide assurance with respect to any individual engagement conducted by the firm or that none of the financial statements audited by the firm should be restated.

The Center's Peer Review Committee (PRC) establishes and maintains peer review standards. At regular meetings and through report evaluation task forces, the PRC considers each peer review, evaluates the reviewer's competence and performance, and examines every report, letter of comments, and accompanying response from the reviewed firm that states its corrective action plan before the peer review is finalized. The Center's staff plays a key role in overseeing the performance of peer reviews working closely with the peer review teams and the PRC.

Once the PRC accepts the peer review reports, letters of comments, and reviewed firm's responses, these documents are maintained in a file available to the public. In some situations, the public file also includes a signed undertaking by the firm agreeing to specific follow-up action requested by the PRC.

Firms that perform audits or play a substantial role in the audit of one or more SEC issuers, as defined by the Public Company Accounting Oversight Board (PCAOB), are required to be registered with and have their accounting and auditing practice applicable to SEC issuers inspected by the PCAOB. Therefore, we did not review the firm's accounting and auditing practice applicable to SEC issuers.

Planning the Review for the Firm's Accounting and Auditing Practice Applicable to Non-SEC Issuers

To plan the review of Marcum & Kliegman, LLP, we obtained an understanding of (1) the nature and extent of the firm's accounting and auditing practice, and (2) the design of the firm's system of quality control sufficient to assess the inherent and control risks implicit in its practice. Inherent risks were assessed by obtaining an understanding of the firm's practice, such as the industries of its clients and other factors of complexity in serving those clients, and the organization of the firm's personnel into practice units. Control risks were assessed by obtaining an understanding of the design of the firm's system of quality control, including its audit methodology, and monitoring procedures. Assessing control risk is the process of evaluating the effectiveness of the reviewed firm's system of quality control in preventing the performance of engagements that do not comply with professional standards.

Performing the Review for the Firm's Accounting and Auditing Practice Applicable to Non-SEC Issuers

Based on our assessment of the combined level of inherent and control risks, we identified practice units and selected engagements within those units to test for compliance with the firm's system of quality control. The engagements selected for review included audits of Employee Benefit Plans. The engagements selected for review represented a cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagement reviews included examining working paper files and reports and interviewing engagement personnel.

The scope of the peer review also included examining selected administrative and personnel files to determine compliance with the firm's policies and procedures for the elements of quality control pertaining to independence, integrity, and objectivity; personnel management; and acceptance and continuance of clients and engagements. Prior to concluding the review, we reassessed the adequacy of scope and conducted a meeting with firm management to discuss our findings and recommendations.

MSL
Moore Stephens Lovelace, P.A.



Professional Auditing Services

RFQ No.: 09-12-02

DISCOVER

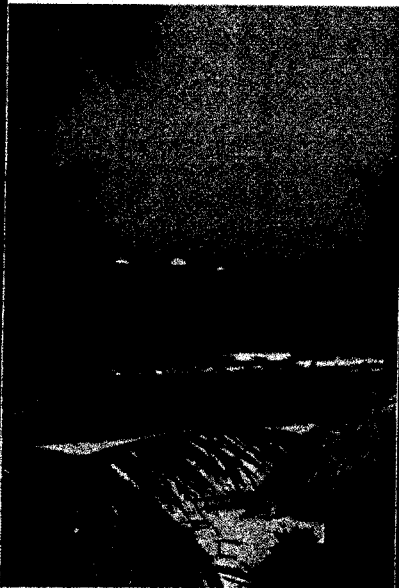


PHOTO BY MAUREEN STAMTON-TERPICH

LAUDERDALE BY-THE-SEA



MSL

Daniel J. O'Keefe, CPA, CFE, MBA, Shareholder
14400 N.W. 77th Court, Suite 306
Miami Lakes, FL 33016
800.683.5401
dokeefe@mslcpa.com

January 19, 2010

So much more than an accounting firm...

Table of Contents

Letter of Interest	1
1. License to Practice in Florida	3
2. Independence	5
3. Firm Qualifications and Experience	5
4. Partner, Supervisory and Staff Qualifications	10
5. Similar Engagements with other Governmental Entities	26
6. Specific Audit Approach	28
7. Identification of Anticipated Potential Audit Problems	39

Appendices

So much more than an accounting firm...



LETTER OF TRANSMITTAL

January 18, 2010

Town of Lauderdale-By-The-Sea
Attention: Town Clerk
4501 Ocean Drive
Lauderdale-By-The-Sea, FL 33308

Re: Request for Qualifications for Professional Audit Services RFQ-09-12-02

Dear Members of the Audit Selection Committee:

Moore Stephens Lovelace, P.A. ("MSL") sincerely appreciates this wonderful privilege and opportunity to provide you with our credentials and capabilities to **serve** as independent auditors to the Town of Lauderdale-By-The-Sea, Florida (the "Town"). We have a team of governmental audit specialists with substantial experience in auditing Florida municipalities. This team possesses the necessary prerequisite qualifications and experience to serve as your independent auditors. Our goal is very simple, to be the best governmental auditing firm in the state of Florida.

Why should you choose MSL as your auditors? That is an excellent question, and below are several reasons why we believe MSL is the right auditing firm for the Town of Lauderdale-By-The-Sea.

Governmental Practice Cornerstone of the Firm - MSL's governmental practice is one of the Firm's four cornerstones. Many firms use their governmental practice as filler work. At MSL, our governmental practice is one of our premier practice groups.

Last of the Statewide Firms - Currently, there is an acquisition frenzy going on in Florida. As local and regional Florida firms continue to sell out, MSL continues to expand its Florida practice. MSL is the last of the truly statewide CPA firms left in Florida. There is not another firm based in Florida who has more offices and more coverage throughout the state.

Continuing Professional Education Available in Florida - MSL believes that education and cooperation is key to a successful relationship with our clients. To ensure that our clients and our staff are always up to date on the latest governmental accounting, reporting and auditing issues, our Firm offers CPE on a bi-annual basis. This training is free to all of our clients, and we encourage open dialog during these sessions.

Florida Government Experience - In the evaluation of controls, it is important to understand not only the entity but also its environment. Because our Firm's base of operations is in the state of Florida, we will always be aware of the economic, social, and political issues that face the Town on a regular basis. In addition, our broad range of experience providing services for governmental entities throughout Florida



uniquely positions us to view various accounting and internal audit functions so we can bring the best of these practices to use in our work for the Town.

You will Receive the Best Service Possible - Because we are nearby and can serve you locally, there is no firm in a better position to provide you with the best possible service. We will go out of our way to treat you like you are our only client. We want the best for our community, and we want the best for you. We will take our service to the Town seriously because it has a direct impact on our local reputation.

A very important part of the accounting profession is staying current. Our Firm not only stays current, but we are pro-active in participating with standard-setting and rule-making bodies. **Dan O'Keefe** serves on the AICPA State and Local Government Expert Panel. The purpose of this group is to identify state and local government financial reporting and auditing issues and to work with appropriate bodies for resolutions benefiting the public interest; to conduct liaison activities with the GASB, and regulators such as the GAO and OMB, and applicable industry associations; and to advise and assist in the development of AICPA products and services related to state and local government audits.

Our proposal sets out in detail, the experience of our Firm and team members. We believe once you have had an opportunity to review for yourself our capabilities, you will agree that we are the right firm for the job. You will be a valued client to MSL. You will not get lost in an endless client listing. You will be treated as if you are our only client. Our high-quality, personalized service is the hallmark for our success.

We herein offer our express agreement to meet or exceed the performance specifications stated in your RFP within the specified time period. In addition, this proposal remains in effect for ninety (90) days and may be extended at the discretion of the Firm.

As Engagement Shareholder, I am authorized to make representations for the engagement team and MSL. I can be contacted at my office (407) 740-5400, or my cell phone (407) 353-8053.

Sincerely,

Daniel J. O'Keefe, CPA, CFE, MBA
Engagement Shareholder



1. LICENSE TO PRACTICE IN FLORIDA

Below is documentation from the Florida Board of Accountancy that our Firm and all assigned key personnel are properly licensed to practice in Florida, qualified to perform governmental audits and in good standing.

Name	Florida CPA License Number
Moore Stephens Lovelace, P.A.	AD0031378
Daniel J. O'Keefe	AC0010681
Julie Baird	AC0025204
William Blend	AC35022
Derrick Lomas	AC0031984

ACA 4665811

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY

SEQ# L09101200690

DATE	BATCH NUMBER	LICENSE NBR
10/12/2009	090182950	AD0031378

The ACCOUNTANCY CORPORATION
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2011

MOORE STEPHENS LOVELACE, P.A.
1201 S. ORLANDO AVENUE, STE 400
ORLANDO FL 32789-7192

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLES W. DRAGO
SECRETARY

ACA 4655412

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY

SEQ# L09100601044

DATE	BATCH NUMBER	LICENSE NBR
10/06/2009	098068628	AC0010681

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2011

O'KEEFE, DANIEL JAMES
1201 S ORLANDO AVENUE SUITE 400
WINTER PARK FL 32789

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLES W. DRAGO
SECRETARY



AC# 4076653

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY

SEQ# L08100600314

DATE	BATCH NUMBER	LICENSE NBR
10/06/2008	080190584	AC0025204

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2010

BAIRD, JULIE ANNE
450 ALTON ROAD #701
MIAMI BEACH FL 33139

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLES W. DRAGO
SECRETARY

AC# 4121633

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY

SEQ# L08103100345

DATE	BATCH NUMBER	LICENSE NBR
10/31/2008	080214335	AC35022

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2010

BLEND, WILLIAM
2870 CITRON DRIVE
LONGWOOD FL 32779

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLES W. DRAGO
SECRETARY

AC# 4653821

STATE OF FLORIDA

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY

SEQ# L09100500945

DATE	BATCH NUMBER	LICENSE NBR
10/05/2009	098068146	AC0031984

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2011

LOMAS, DERRICK LEMOYNE
PO BOX 260455
PEMBROKE PINES FL 33026

CHARLIE CRIST
GOVERNOR

DISPLAY AS REQUIRED BY LAW

CHARLES W. DRAGO
SECRETARY



2. INDEPENDENCE

MSL is independent of the Town of Lauderdale-By-The-Sea, and all of its component units, as defined by the U.S. General Accounting Office's *Government Auditing Standards* (1994), issued by the Comptroller General of the United States and the Rules of the Florida Board of Accountancy, Chapters 455 and 475. Appendix E is attached at the end of this proposal.

3. FIRM QUALIFICATIONS AND EXPERIENCE

History and Description - Moore Stephens Lovelace, P.A. is a Florida corporation that has been in business for over **thirty-five years** and has grown to be one of the largest independently owned and operated certified public accounting firms in the Southeast. We are a nationally recognized CPA firm, serving clients in more than 20 states and 8 countries. **MSL is owned by a group of eleven shareholders, many of whom are nationally recognized specialists in their field of practice.** The Firm and all of its CPAs are actively involved with the FICPA and AICPA. Members of our Governmental Practice Group are involved with the AICPA Governmental Audit Quality Center. We have offices in the Miami, Orlando area, Tampa area, and Tallahassee markets in Florida and in Macon, Georgia.

Key Business Areas - The four cornerstones of MSL's industry practice are **governmental, not-for-profit, healthcare, and SEC.** Each one of these practice groups is made up of top specialists in their field. The Governmental Practice Group is chaired by **Dan O'Keefe.**

As national, regional, and local firms move away from the governmental sector, MSL continues to expand in this area. Many firms have a difficult time finding qualified staff who want to work in the governmental sector and have difficulty keeping up with the training. Our reputation allows for prospective staff who want to serve the governmental sector to seek us out. Our top-quality, in-house governmental training courses allow us to address specific areas that impact our clients. We also believe our staff is the best trained in the state. Our CPE program is structured and our instructors are some of the best.

Key Factors for Consideration - Recently, *Florida Trend* ranked our Firm in the Top 15 Accounting Firms in the state of Florida. What this ranking does not show is that we are the only Florida-owned and operated CPA firm in the state with offices in four major metropolitan areas. The firms that are larger than us are headquartered outside the state or have only a single office in Florida.

Our statewide presence gives us an enormous advantage over other firms as far as recruiting. Whether it is campus recruiting or seasoned veterans, potential recruits can pick and choose where they want to locate. Recruiting has been a real challenge for CPA firms across the country. The chart above provides a breakdown of our staff.

MSL Staffing	
Shareholders	11
Principals	6
Managers	8
IT Specialists	2
Supervisors	4
Seniors	8
Staff	12
Support Staff	17
TOTAL	68



Our national and international engagements are enhanced through our Firm's association with Moore Stephens North America, Inc. and Moore Stephens International Limited. These organizations comprise an association of independently owned and operated accounting firms and correspondents with a combined strength of more than 21,244 partners and employees, and 647 offices in 98 countries. In size, fee income, reputation, and longevity, Moore Stephens is one of the largest accounting and consulting associations in the world. The work on this engagement will be staffed out of our Winter Park and Miami offices.

Your audit will mainly be performed from our Miami office located at:

14400 N.W. 77th Court
Suite 306
Miami Lakes, FL 33016

Our firmwide Governmental Practice Group is made up of 40 professional staff, which gives us the ability to draw staff quickly to accommodate client needs. The following is a breakdown of our governmental staff assigned to the audit for the Town of Lauderdale-By-The-Sea:

<i>Staff Level</i>	<i>Miami / Orlando</i>
Shareholders	2
Principals/Managers	2
IT Specialists	1
Supervisors/Seniors	3
Staff	10
Total	18

See pages 11-13 for detailed staff resumes.

QUALITY CONTROL AND PEER REVIEW

Quality control in any CPA firm can never be taken for granted. It requires a continuing commitment to professional excellence. We are formally dedicated to that commitment.

Our Firm recognizes the long-term significance of developing a formal quality control program. In an effort to continue to maintain the standards of working excellence required by our Firm, we are members of the Private Companies Practice Section ("PCPS"), the Center for Audit Quality ("CAQ"), formerly known as the Center for Public Company Audit Firms ("CPCAF"), and the Governmental Audit Quality Center ("GAQC") of the American Institute of Certified Public Accountants. **To be a participating member firm, you must obtain an independent compliance review of your firm's quality control policies and procedures every three years to ascertain compliance with existing auditing standards on**



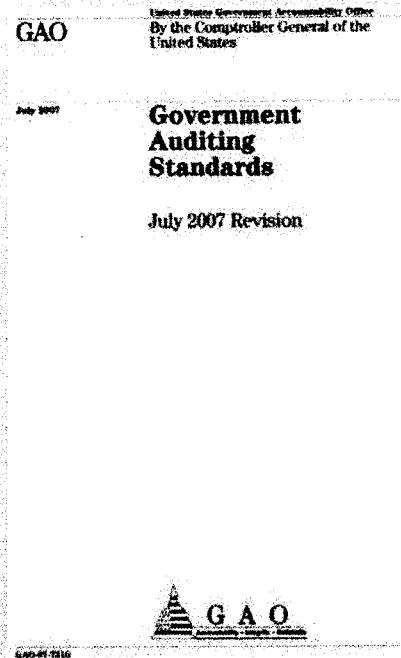
the applicable engagements. The scope of the peer review is comprehensive, in that, it specifically reviews the quality control policies and procedures of the participating firm's accounting and auditing practice, including its work product in various client industries. We believe that our commitment to the program has been rewarding not only to our Firm, but primarily to our clients.

The external independent peer review of the elements of our quality control policies and procedures performed by an independent certified public accountant selected by the AICPA provides both us and our clients with the assurance that we continue to conform to the standards of the profession in the conduct of our accounting and auditing practice.

Our Firm has undergone successful peer reviews since participation in the program. We take quality control seriously. We understand our responsibility in providing you with auditing services that meet or exceed the professional standards established by the AICPA, U.S. GAO, U.S. OMB, Florida Attorney General, and Florida Board of Accountancy.

We also understand our responsibility under *Government Auditing Standards* (the "Yellow Book") to provide you with our most recent peer review report. **We will always send you the most current report when it is issued.**

On the next page is our most recent peer review report (for the period ended June 30, 2008), which included a review of specific governmental engagements performed by MSL. **It should be noted that no comments were made as a result of this review.**





P&N Postlethwaite
& Netterville

A Professional Accounting Corporation
Associated Offices in Principal Cities of the United States
www.pncpa.com

To the Shareholders of
Moore Stephens Lovelace, P.A.
and the Center for Public Company Audit Firms Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Moore Stephens Lovelace, P.A. (the firm) applicable to non-SEC issuers in effect for the year ended June 30, 2008. The firm's accounting and auditing practice applicable to SEC issuers was not reviewed by us since the Public Company Accounting Oversight Board (PCAOB) is responsible for inspecting that portion of the firm's accounting and auditing practice in accordance with PCAOB requirements. A system of quality control encompasses the firm's organizational structure and the policies adopted and procedures established to provide it with reasonable assurance of complying with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (the AICPA). The design of the system, and compliance with it, are the responsibilities of the firm. Our responsibility is to express an opinion on the design of the system, and the firm's compliance with that system based on our review.

Our review was conducted in accordance with standards established by the Peer Review Committee of the Center for Public Company Audit Firms and included procedures to plan and perform the review that are summarized in the attached description of the peer review process. Our review would not necessarily disclose all weaknesses in the system of quality control or all instances of lack of compliance with it since it was based on selective tests. Because there are inherent limitations in the effectiveness of any system of quality control, departures from the system may occur and not be detected. Also, projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice applicable to the non-SEC issuers of Moore Stephens Lovelace, P.A. in effect for the year ended June 30, 2008, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA, and was complied with during the year then ended to provide the firm with reasonable assurance of complying with applicable professional standards.

Postlethwaite & Netterville

Baton Rouge, Louisiana
November 12, 2008

8550 United Plaza Blvd, Suite 1001 • Baton Rouge, LA 70809 • Tel: 225.922.4600 • Fax: 225.922.4611



Peer Review Program

April 9, 2009

William Miller Jr, CPA
Moore Stephens Lovelace, P.A.
14400 NW 77th Ct., Suite 306
Miami Lakes, FL 33016

Dear Mr. Miller:

It is my pleasure to notify you that on April 1, 2009, the Center Peer Review Committee accepted the report on the most recent peer review of your firm. The report will now be placed in the public files of the Center for Public Company Audit Firms. The due date for your next review is December 31, 2011. This is the date by which all review documents should be completed and submitted.

As you know, the reviewer's opinion was unmodified. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Robert Rohweder, Chair
CPCAF Peer Review Committee

cc: Candace E Wright, CPA

Firm Number: 10043494

Review Number: 268467

American Institute of Certified Public Accountants
220 Leigh Farm Road, Durham, NC 27707-8110 • (919) 402-4502 • (919) 402-4500 • fax (919) 419-4713 • www.aicpa.org
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1716A-392



Pending Litigation

MSL has had no federal or state desk review or field reviews of our audits during the past three years. In addition, there has been no disciplinary action taken or pending against the Firm during the past three years with state regulatory bodies or professional organizations.

4. PARTNER, SUPERVISORY AND STAFF QUALIFICATIONS AND EXPERIENCE

The single most important issue for you to consider when comparing audit team qualifications in selecting an accounting firm is who will actually be performing the work? Significant consideration should also be given to the audit firm's commitment to staff continuity. With this in mind, we have assembled a unique team of highly qualified accounting professionals with over 120 years of combined governmental and nonprofit experience serving our clients. We feel confident that our engagement team members will be returning in subsequent years, because we treat our staff like the professionals they are. They are our greatest asset. They are not members of a staff pool that turns over frequently; they are real people who will be servicing your account for many years to come.

What distinguishes one CPA firm from another, is its people. CPA firms are not names, logos, or multi-national extravaganzas. They are groups of qualified professionals who have developed areas of specific industry specialization, whose mission is to provide quality service to their clients. Through the networking of specific talents, today's progressive CPA firms can offer a diverse array of industry specializations.

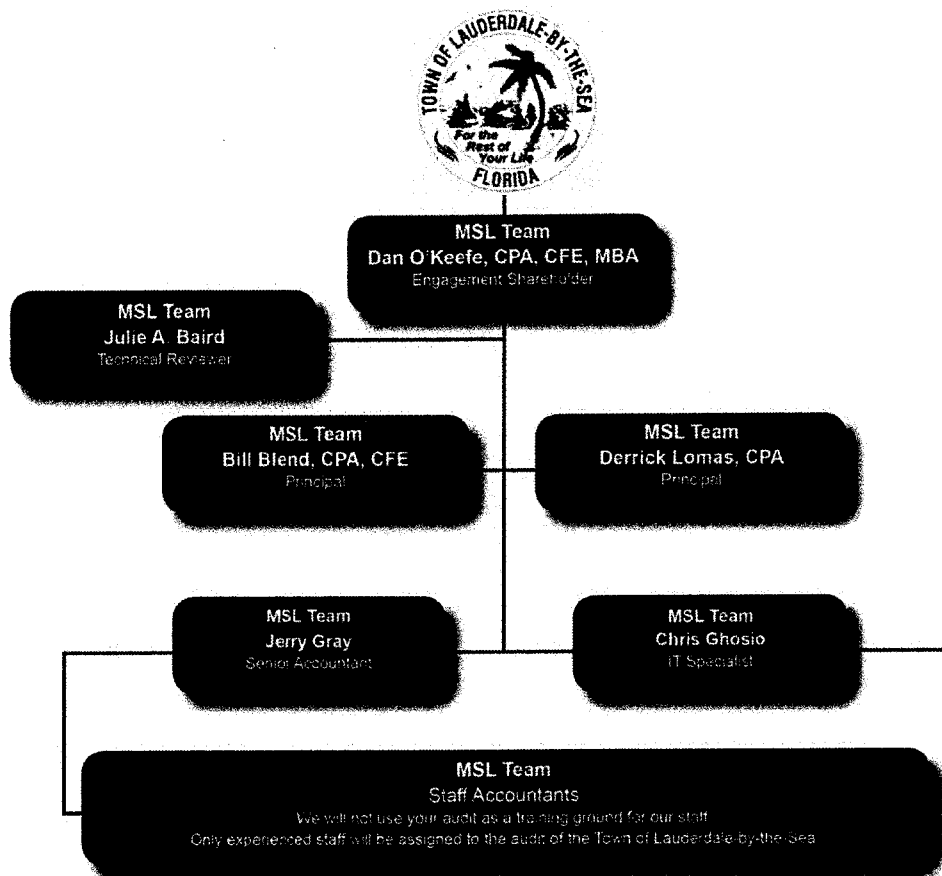
Our commitment to serve you is the driving force in forming the strongest possible team of professionals with governmental/nonprofit experience available in the state of Florida. All engagement team members are committed to the timeline proposed and will not have concurrent conflicts with that timeline.

For the Town of Lauderdale-By-The-Sea's engagement, we are proposing a team of the strongest resources of our professional staff. **Our audit team will include two highly experienced shareholders, two highly experienced principals, and a highly experienced senior and support specialist, all of whom have dedicated a substantial part of their professional careers working in the public sector.** To ensure that you receive excellent service, you must have excellent professionals serving you.





The following is a brief introduction to the team members who will diligently serve you.



Dan O'Keefe, Engagement Shareholder ("Key" member of the audit team)

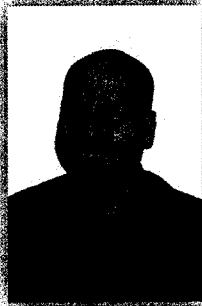
Dan O'Keefe, CPA, CFE, MBA, Engagement Shareholder, has over 32 years of governmental, nonprofit and public accounting and auditing experience. He is the director of MSL's Governmental Practice Group.

He understands the challenges that the Town is currently faced with and, most importantly, he understands how to deliver services and manage the Firm's resources to meet the needs of the Town. Considered one of the most experienced governmental auditors in the state of Florida, he will be responsible for all phases of the audit and will be the single individual responsible for making certain that all of the Town's needs are met and quality services are provided. He will also be the final decision maker on all technical issues that arise during the conduct of the engagement. Mr. O'Keefe also has extensive experience in the issuance and refunding of conventional and tax-exempt debt obligations and is well-known in the financial community.



Julie Baird, CPA, Technical Reviewer ("Key" member of the audit team)

Julie Baird, CPA, Technical Reviewer, has over 22 years of experience in public accounting and providing services to public-sector and not-for-profit clients. She is a member of the Broward County Housing Authority Audit Committee. She will perform a complete technical review of the engagement to ensure that all professional standards and quality control procedures have been followed. Julie will also assist in resolving any complex technical issues that arise during the engagement.



**Bill Blend, CPA, CFE
Engagement Principal**

Bill Blend will serve as the audit Principal for all segments of this engagement. He will be responsible for planning and overseeing audit procedures performed for the engagement. Bill has over 18 years of experience auditing governmental entities.



**Derrick Lomas, CPA,
Engagement Principal**

Derrick Lomas will serve as the audit Principal and is a member of the Firm's Governmental Practice Group. Derrick has over 19 years of experience in public accounting and primarily serves clients in the governmental, healthcare and not-for-profit industries. He provides auditing and advisory services to entities receiving governmental and state grant funding.



**Jerry Gray, MBA
Senior Accountant**

Jerry Gray will serve as the Senior Accountant for this engagement. Jerry has over 3 years of experience in public accounting and 8 years in private-sector accounting. Jerry has experience serving over 15 governmental clients. His private-sector experience will be helpful in evaluating the efficiency of processes.



Chris Ghosio, CCNP, CCDA, TMCSM, TMCSE
IT Specialist, Maxis Networks

Chris Ghosio will serve as IT support for this audit engagement. He is President of Maxis Networks, an associate firm of MSL, and will serve as a sub-consultant on this audit engagement. He has over 23 years' experience performing IT audits and consulting, including governmental experience.

CONTINUING PROFESSIONAL EDUCATION IN GOVERNMENTAL ACCOUNTING

All members of the governmental audit staff of our Firm and audit team members assigned to this engagement, regardless of their individual roles of responsibility, are in compliance with the CPE requirements set forth in *Government Auditing Standards* ("GAGAS"), issued by the Comptroller General of the United States, as well as the requirements of the Florida Board of Accountancy. In addition, we are in compliance with the applicable provisions of the Florida Statutes that require CPAs to meet CPE requirements prior to proposing on governmental audit engagements.

It is our objective to provide our professional staff at least 50 hours of comprehensive CPE each year. This is accomplished by attending seminars throughout the United States and is reinforced through in-house training at our own MSL University firmwide training program. Our MSL University programs are often open to our clients at no charge, so you can also fulfill some of your CPE requirements throughout the year.



In addition to attending continuing education programs, several members of our professional staff have been recognized for their knowledge and expertise in our profession. Members of the audit team have taught governmental accounting and auditing for the AICPA, FICPA, FGFOA, GSCPA, GFOA, and GGFOA. Additionally, they have developed CPE sessions specific to client needs and have participated in the instruction of these sessions.

Dan O'Keefe is recognized as one of the top public sector instructors in the state of Florida and is also well-known on a national level. He has written numerous courses on various subjects related to governmental accounting and auditing. Years ago, he began a program for in-house training that allowed members of his firm to participate with clients in obtaining the most up-to-date information regarding governmental accounting and auditing. This program is offered to clients at no cost and allows for 16-24 hours of CPE during the year. Unique to this program is that clients host the courses at their locations, on a voluntary basis. This is another way we demonstrate our commitment to high-quality, personalized service.



Below is a summary of each engagement team member's relevant Continuing Professional Education in governmental accounting over the last four years.

Engagement Team Members' CPE in Governmental Accounting

Dan O'Keefe	
Subject	CPE Credits
Annual Training Symposium	18
2006 Governmental Update	16
Ethics Training	8
Leadership Training: Strategic Planning	12
MSL 2007 Audit Team Training	5
Integrating the New Risk Assessment Standards	4
2007 MSL Firmwide Training	15
Back to Basics: Strategies for Today's Liability Challenges	4
Go File Room Basic User Training (GFR OS-021)	4
2007 Annual Conference Class Attendance	3
2007 Governmental Update	12
2008 MSL Team & Firmwide Training	26
2008 Governmental Update	16
Ethics for CPAs: Accounting/Auditing Emphasis	8
SEC Update	16
2009 Governmental Update	16
MSL 2009 Firmwide Training	17
Governmental Accounting and Auditing Update	4
MSL Manager Training	16
Total	220

Juile Baird	
Subject	CPE Credits
Annual Training Symposium	19
Not-For-Profit Organizations Conference	6
2006 FGFOA Annual Conference	5
Ethics for CPA's	4
Medicare RUGS Reimbursement	1
Leadership Strategic Plan	12
Integrating New Risk Assessment	4
2007 MSL Firmwide Training	18
Back to Basics: Strategies for Today's Liability Challenges	4
GFR Basics	4



2007 FGFOA Annual Conference	9
Not-For-Profit Organizations Conference	8
Auditing Employee Benefit Plans	3
Implementing Risk Assessment Standards	2
2008 MSL Team & Firmwide Training	25
CPA In Industry	14
Laws & Rules Exam	1
Jumpstart: PPC A&A and e-Tools	2
Ethics for CPAs: Accounting/Auditing Emphasis	4
Microsoft Office 2007 Training	2
HUD Training	1
Employee Benefit Plans Basics	1
Acct. & Reporting Practices of NFP Organizations	2
Inter-Team Communications	1
Top 10 Deficiencies Found in PSR's	2
Leadership and Employee Motivation Training	3
MSL 2009 Firmwide Training	16
Total	173

Bill Blend

Subject	CPE Credits
2006 Governmental Update	8
Ethics Training	4
Intro to MSL Auditing	6
MSL 2007 Audit Training	7
Integrating the New Risk Assessment Standards	4
Back to Basics: Strategies for Today's Liability Challenges	4
MSL 2007 Firmwide Training	5
2007 Annual FGFOA Conference Class Attendance	16
2007 Governmental Update	11
Auditing Employee Benefit Plans	3
2008 MSL Team & Firmwide Training	17
Ethics for CPAs: Accounting/Auditing Emphasis	4
2008 Governmental Update	16
Microsoft Office 2007 Training	2
2009 Governmental Update	15
MSL 2009 Firmwide Training	17
2009 Governmental Update	3
Governmental Accounting and Auditing Update	8
MSL Manager Training	8
Total	158

**Derrick Lomas**

Subject	CPE Credits
Annual Training Symposium	21
2006 Governmental Update	8
Ethics Training	8
Leadership Training: Strategic Planning	12
MSL 2007 Audit Team Training	5
Integrating the New Risk Assessment Standards	4
Back to Basics: Strategies for Today's Liability Challenges	4
MSL 2007 Firmwide Training	13
2007 Annual Conference Class Attendance	9
Not-for-Profit Organizations Conference	4
Auditing Employee Benefit Plans	3
Implementing the Risk Assessment Standards Best Practices	2
Using PPC's SMART ePractice Aids	2
2008 MSL Team & Firmwide Training	25
2008 Annual Conference	13
Jumpstart: PPC A&A and e-Tools	2
Ethics for CPAs: Accounting/Auditing Emphasis	8
Microsoft Office 2007 Training	2
Healthcare Audit Training	2
SAS 112 & 114 Training	2
HUD Training	1
Employee Benefit Plans Basics	1
Accounting & Reporting Practices of NFP Organizations	2
Inter-Team Communications	1
Non-Profit Training – SFAS 157 Session	1
Top 10 Deficiencies Found in PSR's	2
MSL 2009 Firmwide Training	17
Total	174

**Jerry Gray****Subject****CPE Credits**

2006 Governmental Update	8
MSL 2007 Audit Team Training	6
Integrating the New Risk Assessment Standards	4
Back to Basics: Strategies for Today's Liability Challenges	4
MSL 2007 Firmwide Training	13
Go File Room Basic User Training (GFR OS-021)	4
2007 Annual FGFOA Conference Class Attendance	17
2007 Governmental Update	8
Employee Benefit Audit Training	3
2008 MSL Team & Firmwide Training	24
FGFOA - 2008 Annual Conference	16
Governmental Accounting and Financial Reporting	24
2008 Governmental Update	8
Microsoft Office 2007 Training	2
2009 Governmental Update	8
FGFOA - 2009 Annual Conference	18
MSL 2009 Firmwide Training	16
In-Charge Training	9

Total 192



**Daniel O'Keefe, CPA, CFE, MBA
Shareholder**

Education and Certifications

- M.B.A. Degree in Accounting, FSU, 2006
- B.S. Degree in Accounting, Canisius College in Buffalo, NY, 1977
- C.P.A., Certified Public Accountant – Florida
- C.F.E., Certified Fraud Examiner
- Member of the International Honor Society of Beta Gamma Sigma

Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- AICPA State and Local Government Expert Panel
- Florida Institute of Certified Public Accountants (FICPA)
- Government Finance Officers Association
- Florida Government Finance Officers Association, Technical Review Committee

Background

Dan O'Keefe heads up MSL's Governmental Practice Group. He has over 32 years of public accounting, governmental, and not-for-profit experience, four of which are with MSL. He has provided services to numerous municipalities, counties, and other governmental entities and is a nationally recognized expert in the area of governmental auditing. He is one of the most sought after public sector instructors in the state. Mr. O'Keefe works out of the Orlando/Winter Park office location.

Professional Experience

Dan has extensive experience auditing governmental financial operations, including services provided to 50 municipalities, 14 counties, four state agencies, and numerous special districts and authorities. In addition, he provides consulting services in the areas of internal control assessments, litigation support, fraud remediation, and performance reviews.

He provides Continuing Professional Education ("CPE") classes to clients, peers, and governmental agencies nationwide. He has authored numerous CPE courses on governmental accounting and auditing; instructed CPE sponsored by the American Institute of CPAs and the Florida Institute of CPAs; and previously served a four-year term on the Florida Board of Accountancy CPE Committee. He is a three-time recipient of the FICPA Outstanding Seminar Leader Award and two-time recipient of the AICPA Outstanding Instructor Award.

Dan is the co-author of *A State Lottery: A Challenge for Auditors*; co-author of *Auditing Budget Requirements for Florida's Local Governments*; and author of the *1996 Single Audit Requirements*. In addition, Dan authored *The Florida Single Audit Act*.



Dan O'Keefe, CPA, CFE, MBA (cont'd.)
Shareholder

Other Governmental Clients Audited:

Counties

Alachua
Hillsborough
Indian River
Lake
Marion
Orange
Osceola
Seminole
Volusia

Municipalities

Altamonte Springs
Apopka
Belle Isle
Bunnell
Casselberry
Cocoa Beach
Daytona Beach
Daytona Beach Shores
DeBary
DeLand
Deltona
Green Cove Springs
Gulfport
Holly Hill
Indian Rocks Beach
Kissimmee
Maitland

Municipalities (cont'd.)

Mount Dora
Ocala
Orchid
Orlando
Ormond Beach
Palm Bay
Pomona Park
Port Orange
Sanford
South Daytona
Tamarac
Tampa
Vero Beach
Winter Garden
Winter Haven
Winter Park
Winter Springs

State Agencies

Florida Lottery
Florida Health Dept
Florida Housing Fin. Agency
Florida Dept. of Elder Affairs

Special Districts and Authorities

Barefoot Bay Recreation District
East Central Florida Regional Planning Council
Florida Intergovernmental Finance Commission
Fort Pierce Utilities Authority
Greater Orlando Aviation Authority
Memphis-Shelby County Airport Authority
MetroPlan Orlando
North Brevard County Hospital District
Orange County Housing Finance Authority
Orange County Library District
Reedy Creek Improvement District
VOTRAN
TOHO Water Authority
West Volusia Hospital Authority

Educational

School District of Broward County
School District of Osceola County
School District of Volusia County
Stetson University
Bethune Cookman College
Futures, Inc.
Reading Edge Academy
Kissimmee Charter School
Orlando Lutheran Academy
Frank Scanga Charter School
Academie DaVinci Charter School
Florida A&M University



Julie A. Baird, CPA
Shareholder

Education and Certifications

- B.B.A. Degree in Accounting, Southern Arkansas University
- C.P.A., Certified Public Accountant – Florida
- C.P.A., Certified Public Accountant – New York

Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- New York State Society of Certified Public Accountants
- Broward County Housing Authority
- AICPA State and Local Government Expert Panel
- AICPA Governmental Audit Quality Center
- Affordable Housing and Community Development Finance Forum

Background

Julie Baird is the shareholder-in-charge of MSL's Miami office and a key member of the Firm's Governmental Practice Group. She has over 22 years' experience serving the financing and auditing needs of public-sector and not-for-profit clients.

Professional Experience

Julie is the director of MSL's Not-for-Profit Practice Group.

In addition, she has considerable experience in governmental audits, including requirements under A-133, special reporting requirements for organizations receiving state and federal funding, including the Florida Single Audit Act, and reporting requirements for the Department of Housing and Urban Development ("HUD").

Her experience includes auditing and consulting in the following industries:

- ◆ Foundations
- ◆ Health Planning Councils
- ◆ Housing Authorities
- ◆ Home Health Agencies
- ◆ Nursing Homes
- ◆ Assisted Living Facilities
- ◆ Community Mental Health Facilities
- ◆ Intermediate Care Facilities for the Developmentally Disabled



Julie Baird, CPA (cont'd.)
Shareholder

Governmental entities served:

Osceola County
Seminole County
Altamonte Springs
Casselberry
Kissimmee
Maitland
Mount Dora

Special Districts and Authorities

West Volusia Hospital Authority

Educational

Florida A&M University

HUD Entities (includes REAC filings)

Cathedral Foundation of Jacksonville, Inc.
Cathedral Terrace, Inc.
DGN Towers, Inc.
FL SHLFI RE, LLC
HQM at Newton, Inc.
HQM at Yadkinville, Inc.
HQM at Statesville, Inc.
Lifestyles & Healthcare, Ltd.
PRERM, LLC
Regents Park Associates, Ltd.
Regents Park at Aventura Assoc., LLC
Richmond Health Care, Inc.
Susanna Wesley Health Center
Epworth Village West, Inc.
United Methodist Retirement Center of Tampa, Inc.



Bill Blend, CPA, CFE
Principal

Education and Certifications

- B.S. Degree in Accounting, Long Island University
- C.P.A., Certified Public Accountant – Florida, University of State of New York Education Dept.
- C.F.E., Certified Fraud Examiner

Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)
- Member of the FGFOA Conference Committee
- Instructor for the FGFOA and develops and teaches firm auditing classes
- Association of Certified Fraud Examiners (ACFE)
- ACFE member and a Certified Fraud Examiner

Background

Bill Blend is a Principal at MSL and a member of the Firm's Audit and Accounting Team. Bill has over 18 years of public and private sector accounting experience, four of which are with MSL.

Professional Experience

Bill has performed audits on over 23 governmental entities. He has substantial experience in planning, performing, supervising, reviewing, and preparing financial statements related to the audits of governmental entities subject to *Government Auditing Standards*, Federal Single Audit requirements, and Florida Single Audit requirements. He has experience in revenue bond covenant compliance and audits under Federal and Florida Single Audit.

Governmental, educational, and other entities served include:

Counties	Municipalities (cont'd.)	Special Districts and Authorities
Indian River	Indian River	Barefoot Bay Recreation District
Lake	Shores	East Central Florida Regional Planning Council
Osceola	Indian Rocks Beach	Florida Intergovernmental Finance Commission
Seminole	Kissimmee	Hobe Sound Water Management District
Volusia	Lake Helen	MetroPlan Orlando
	New Smyrna Beach	New Smyrna Beach Utility Authority
	Maitland	TOHO Water Authority
	Vero Beach	West Volusia Hospital Authority
Municipalities	Oak Hill	Winter Garden Heritage Foundation
Altamonte Sprgs.	Palm Bay	
Apopka	Winter Park	
Casselberry	Port Orange	
Town of Davie	Sanford	Educational
Daytona		Academie DaVinci Charter School
Deltona		The Reading Edge Academy
Palm Beach Gardens		Florida A&M University

Bill has completed over 50 hours of Continuing Professional Education ("CPE") in the areas of governmental accounting and auditing within the past two years. He is also a Certified Fraud Examiner, designated by the Association of Certified Fraud Examiners. Bill is also trained in the use of the "IDEA" data mining software.



**Derrick Lomas, CPA
Principal**

Education and Certifications

- 5th year Masters level Requirements for Certification in Florida, University of North Florida
- B.B.A. Degree in Accounting and Management Information Systems, University of North Florida
- C.P.A., Certified Public Accountant

Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Georgia Society of Certified Public Accountants
- AICPA Governmental Accounting Officers Institute
- Florida State Governmental Accounting Officers Institute
- Florida State Single Audit Requirements

Background

Derrick Lomas is a Principal at MSL and is a member of the Firm's Governmental Practice Group. Derrick has over 19 years of experience in public accounting and primarily serves clients in the governmental, healthcare and not-for-profit industries. He provides auditing and advisory services to entities receiving governmental and state grant funding.

Professional Experience

He presently manages over 60 governmental audits annually and serves as the primary client advisor. Derrick builds strong relationships with clients by facilitating the meeting of their needs and responding to their inquiries. He is responsible for performing audit quality reviews and ensuring the client is in compliance with all laws surrounding their engagements. Additionally, Derrick manages over 20 HUD (Department of Housing and Urban Development) audits, including their electronic submission, risk assessment and assurance of HUD filing standards compliance.

In order to maintain a current knowledge of *Yellow Book*, OMB A-133 and HUD reporting requirements, Derrick attends AICPA, FICPA and FGFOA (Florida Government Finance Officers Association) conferences and is an active member of the AICPA Governmental Audit Quality Center. He is the Co-chair of the FICPA 2005 Not-for-profit Conference Committee and the Chair of the 2006 Not-for-profit Conference Committee. Derrick has given presentations on Fraud, Internal Controls for Not-for-profits, Indirect Costs Affecting Not-for-profits, and Federal and State Single Audit Requirements.

Governmental, educational, and other entities served include:

Counties

Lake County
Seminole County

Special Districts and Authorities

Florida Lottery
West Volusia Hospital Authority
Jacksonville Transportation Authority
Jacksonville Port Authority
Jacksonville Electric Authority
Jacksonville Housing Authority
Florida DOT

Municipalities

Jacksonville
Kissimmee

Educational

Broward County School District
Florida Community College at Jacksonville



**Jerry Gray, MBA
Senior Accountant**

Education and Certifications

- B.A. Degree in Economics, Rollins College
- Accounting, University of Central Florida
- M.B.A. Degree-Administration, University of Central Florida

Professional Memberships

- American Institute of Certified Public Accountants (AICPA)
- Florida Institute of Certified Public Accountants (FICPA)
- Florida Government Finance Officers Association (FGFOA)

Background

Jerry Gray is a senior at MSL and is a member of the Firm's Governmental Practice Group. Jerry has over 3 years in public accounting and 8 years in private-sector accounting. Both include broad involvement in providing professional services to numerous governmental organizations.

Jerry has experience performing audits and compliance work for governmental and non-profit entities, performing single audits for governmental and non-profit organizations under the Single Audit Act (OMB Circular A-133) and Florida Single Audit Act.

Professional Experience

Jerry has participated in numerous professional development training programs relative to *Yellow Book* requirements. He averages in excess of 50 hours annually of advanced training, which exceeds the 40 hours required in accordance with the continuing professional education requirements of the Florida State Board of Accountancy.

Governmental, educational, and other entities served include:

Counties

Lake
Osceola

Special Districts and Authorities

Bayview Mental Health Center
Disabled American Veterans
District 5 Medical Examiner
Florida Intergovernmental Finance Commission
Lake Sumter EMS
MetroPlan Orlando
Winter Garden Heritage Foundation

Municipalities

Casselberry
Mount Dora
Sanford
Winter Park

Educational

Florida A&M University
Broward County School District
Volusia County School District



**Chris Ghosio, CCNP, CCDA,
TMCSM, TMCSE
IT Specialist/Information
Systems Consultant
Maxis Networks (sub-
consultant)**

Education and Certifications

- Information Systems Analyst – United States Air Force
- Cisco Certified Networking Professional
- Cisco Certified Design Associate
- Trend Micro Certified Security Master

Featured Successes

- Designed and implemented the security infrastructure and wide area network for the nationwide Star financial network
- Designed and implemented PCI security infrastructures for large financial institutions
- Designed and implemented a corporate file and print security infrastructure

Background

Chris Ghosio is the CEO of Maxis Networks (an associate firm of MSL). He has over 23 years of extensive experience in designing and securing information technology infrastructures. Chris and his firm have years of experience reviewing and deploying proper information system controls and resources to minimize risk within the business environment. He recently performed the IT audit services on the City of Winter Park and the City of Sanford.

Professional Experience

Chris has spent his technology and leadership career in nationwide financial data centers and networks, as well as the United States Air Force, providing leadership to engineers, operations staff, technical support staff, and project development teams. He currently leads all risk assessments and information systems audits for his team at Maxis Networks. He has designed, installed, and performed technical audits on information technology security systems in the financial and legal industries, as well as the U.S. Government and Military.

Chris has experience with the design of information security, secure local and wide area networks, and secure systems deployment.



5. SIMILAR ENGAGEMENTS WITH OTHER GOVERNMENTAL ENTITIES

Members of our audit team have provided the following types of auditing and accounting services to governmental and nonprofit clients for over 35 years.

- Annual financial and compliance audits, including Single Audits of federal and state financial assistance and awards under OMB Circular A-133 and Chapters 10.500/10.600, Rules of the Florida Auditor General.
- Assisting in compiling historical financial data for first-time and supplemental submissions for GFOA Certificate of Achievement for Excellence in Financial Reporting. We have assisted over 30 governmental entities in this area.
- Issuance of Comfort Letters and Consent Letters in conjunction with the issuance of tax-exempt debt obligations, including compiling financial data and interim period financial statement reviews.
- Issuance of certifications and special reports to document compliance with special provisions and/or covenants of outstanding debt issues.
- Issuance of special reports to confirm the mathematical accuracy of amounts placed in escrow for advance refunding.
- Calculation of estimated and actual federal arbitrage rebates.
- Providing professional assistance and testimony for the validation of bond offerings.
- Assisting in providing presentations for bond ratings with Standard & Poor's and Moody's Investor Service.
- We provide a variety of services to governmental entities related to risk assessment for internal controls, fraud litigation, efficiency and cost studies, and policy reviews and monitoring. These engagements can be developed using an agreed-upon procedure format.

MSL works with many local governments who have participated in the **Certificate of Achievement for Excellence in Financial Reporting** program.

MSL Governmental Clients	Years Successfully Obtaining Certificate of Achievement (at least)
• Altamonte Springs	7 years
• Casselberry	3 years
• Cocoa Beach	8 years
• Gulfport	6 years
• Indian Rocks Beach	2 years





MSL Governmental Clients	Years Successfully Obtaining Certificate of Achievement (at least)
• Kissimmee	7 years
• Lake County	27 years
• Maitland	10 years
• Mount Dora	14 years
• Osceola County	15 years
• Sanford	18 years
• School District of Broward County	9 years
• School District of Volusia County	7 years
• Seminole County	27 years
• Winter Park	14 years

MSL will assist the Town in complying with changes in reporting requirements to remain in conformity with Generally Accepted Accounting Principles, including technical assistance in the preparation on new statements and footnote disclosures.

MSL will assist the Town in responding to and making recommended changes, as presented by the Government Finance Officers Association, on the prior year's Certificate of Achievement for Excellence in Financial Reporting. **We have assisted over 30 governmental entities in this area.**

Below is a representative listing of clients we invite you contact regarding the services we provide:

Current (Recent) Clients	Scope of Work Duration	Contact Name, Title, Address Phone, Fax and Email
City of Sanford (500 hours)	Annual Audit 1 year	Jim Poulalion, Finance Director 300 N. Park Avenue Sanford, FL 32771 O: (407) 688-5022 F: (407) 330-5666 poulalionj@ci.sanford.fl.us
Includes water & sewer <i>In 2008, the City of Sanford was a new client. Please ask them about their experience transitionina to MSL.</i>		



Current (Recent) Clients	Scope of Work Duration	Contact Name, Title, Address Phone, Fax and Email
City of Winter Park (520 hours) Includes water & sewer, electric, and golf course	Annual Audit 6 years	Wes Hamil, Finance Director 401 Park Avenue South Winter Park, FL 32789 O: (407) 599-3381 F: (407) 461-2231 <u>whamil@cityofwinterpark.org</u>
City of Kissimmee (500 hours) Includes water & sewer, and airport	Annual Audit 8 years	Amy Ady, Finance Director 101 N. Church Street Kissimmee, FL 34741 O: (407) 518-2220 F: (407) 518-2208 <u>aady@kissimmee.org</u>
City of Altamonte Springs (400 hours) Includes water & sewer	Annual Audit 9 years	Mark DeBord, Finance Director 225 Newburyport Avenue Altamonte Springs, FL 32701 O: (407) 571-8090 F: (407) 571-8082 <u>mbdebord@altamonte.org</u>
City of Casselberry (350 hours) Includes water & sewer	Annual Audit 15 years	Randy Newlon, Finance Director 95 Triplet Lake Drive Casselberry, FL 32707 O: (407) 262-7700 F: (407) 262-7746 <u>inewlon@casselberry.org</u>

6. SPECIFIC AUDIT APPROACH

Communication

At MSL, we believe communication is the key to audit success. Our goal is to communicate before, throughout and after the audit process. This communication will come at various levels. Current audit standards require communications to occur directly with those charged with governance, or their appointed sub-group (such as the audit committee). This type of communication will be made, as required by audit standards. We will make every attempt to share that communication with management, so long as it does not jeopardize our responsibility as auditors. Our goal is to have no surprises. We will take great care to ensure that as issues arise, the circumstances and the facts are fully



discussed with management before we reach any conclusions. **We believe this is the best way to ensure that we get it right the first time.** Our goal is to always communicate openly and honestly with all members of governance and management.

MSL Resources

MSL has invested a substantial amount of resources in developing a **state-of-the-art audit platform that is 100% electronic, paperless, and full of audit tools readily available to our professional staff.** Our system is maintained 24/7 by dedicated information technology specialists. Our central file room can be accessed from anywhere in the world using the Firm's laptops assigned to professional staff.

The shareholders of MSL recognize the importance of improving audit efficiency, meeting client expectations, and performing our audits in compliance with professional and regulatory requirements. We believe our Firm is progressive in this area and we continue to manage and improve upon our systems and technology on an ongoing basis.

Source Documentation

As described previously, we use a fully paperless audit platform. Our goal is to perform our audit with minimal interruption to your staff. Whenever possible, we will utilize electronic resources. As an example, in exploring the Town's website, we noted that organizational documents and meeting minutes are easily obtainable through links on the website. Our staff will take full advantage of this type of access and, therefore, we will not even request these types of documents from your staff significantly reducing staff interruptions.



MSL prides itself on being on the cutting edge in the utilization of electronic media. We believe that it is not only cost-efficient and effective for us, but it also significantly reduces our staff's time in the audit process. To that end, we have implemented a web-based portal that will allow your staff to upload audit workpapers and other electronic data files. This will ensure that there will never be a second request for a document. In addition, this portal has an audit calendar which enables your staff to track the audit progress. Finally, your staff can use this portal to leave messages and ask questions of our audit staff.

Risk-Based Audit Approach

We will follow a risk-based audit approach, which is mandated under Statements of Auditing Standards (SAS) Nos. 104-111. In our planning process, we will identify the risks of significant accounts and transactions related to the financial statements and plan our audit procedures to properly address those risks at the financial statement assertion level.

Audit Programs

Our audit programs will be "tailor-made" for your engagement to enhance our ability to provide quality professional services and to produce results that are qualitative in nature. **Unlike large national firms,**



we do not use a “one-size-fits-all” approach. Our programs are developed after your audit team has done its preliminary assessment of the Town’s environment, including our evaluation of your internal controls. This process ensures that we not only perform our audit in accordance with the applicable auditing standards, but also to make sure we address the specific risks that are unique to the Town.

Audit Procedures

As in all audits, the opinion expressed on the fairness of the financial statements is reached by the process of evaluating the evidence gathered in the course of the audit. In gathering competent evidential matter, we use the following techniques to acquire evidence on which the expression of our opinion is based:

- *Examination (inspection)* - One of our principal objectives is to substantiate the authenticity of various recorded figures and entries. Evidence of such authenticity is typically gathered by examination (inspection) of source documents pertaining to the transaction that occurred.
- *Confirmation* - The process of confirmation is closely related to that of inspection, but is used to obtain supporting evidence by direct request from third parties, rather than by reference to items of evidence readily available.
- *Observation* - To ascertain compliance with certain prescribed procedures, we will frequently use the technique of observing your financial operations. These procedures can be implemented to gather evidence to support the financial statement assertions regarding the completeness of selected account balances and transactions included in the financial statements. In addition, observation is a key procedure used in the evaluation of your internal controls.
- *Verification* - Generally, all of our activities related to the formulation of an opinion on your financial statements are referred to as verification procedures. However, specific tasks are performed to support the specific financial statement assertions.
- *Inquiry* - In all audits, substantial information is gathered by direct inquiry of your personnel. Through inquiry, we can ascertain the duties performed by given individuals or, by carefully phrased questions, we are able to ascertain that those individuals are properly carrying out the responsibilities assigned to them. We can also ascertain specific information about selected accounting items or transactions to support decisions made by management personnel when other corroborating evidence is not readily available.
- *Analytical Review* - Analytical procedures are used to ascertain that the recorded figures “make sense,” by being consistent with each other and with known external changes that are taking place. Changes from the previous year, or even month-to-month changes in the financial figures, as well as changes in ratios between various figures, are analyzed to ascertain that they are logical and reflect





changes in operations or financial position that are known to have occurred.

Analysis of Information Technology Systems

As part of our audit, we will perform an analysis of your computer-based financial management systems. We utilize a team approach to our evaluation of your IT systems. We incorporate the use of an IT specialist with a seasoned auditor in our evaluation of your IT systems. To the extent possible, it is our Policy to design our audit procedures to maximize the application of computer-assisted audit procedures for compliance and substantive testing. All software systems utilized by us are used exclusively on our own computer hardware brought on-site during the audit.

We also have the capability to use information downloaded from your financial accounting systems into our own data processing systems. This is generally done by obtaining text files, exported Excel files, print files and, in some cases, "pdf" files can be used. These types of data transfer will only be done where feasible and in conjunction with your staff.

The implementation of risk-based auditing standards defines the responsibilities of auditors to document their understanding of internal controls surrounding how an entity initiates, authorizes, records, processes, and reports transactions and financial data. We will assess the resources that have been allocated to IT, and we will document key elements of internal control surrounding your IT environment.

Particular attention will be given to identification of segregation of duties over IT functions, or over accounting functions in the accounting application. In an organization like the Town, it is important to identify all users, either external or internal, who may access common databases of information that affects financial reporting. A lack of effective control at a single-user entry point might compromise the security of the entire database, potentially resulting in unauthorized changes to, or destruction of data, which could affect the financial statements.

Audit Sampling

We will follow the guidance of SAS No. 39, *Audit Sampling*, in using a non statistical approach. These forms guide our staff through a logical process of assessing inherent risk, control risk, and combined audit risk, followed by an assessment of appropriate sample size for testing.

Sample sizes will vary, depending on the nature of the testing (compliance versus substantive), and the size of the population being sampled. Our utilization of sampling generally centers on compliance and controls testing, rather than substantive testing of account balances. Sample sizes for compliance and controls testing are based upon professional guidance.

Ordinarily, the significant portions of the sampling





expected to be performed are identified at the onset of the engagement and are coordinated with the remaining auditing procedures to produce timely and efficient results.

We currently expect to perform the following types of sampling:

- *Attribute Sampling* - To test the rate of deviation from a prescribed internal control procedure to determine whether planned reliance on that control is appropriate. In addition to tests of compliance with prescribed control procedures, attribute sampling will be used for certain substantive procedures to test for possible unrecorded transactions and for testing existing account balances.
- *Variable Sampling* - To reach a conclusion about the adequacy or reasonableness of an account balance.

Examples of areas where we will apply sampling strategies include:

- the selection of cash disbursements and payroll transactions for compliance testing;
- the selection of debt payment transactions to test for timeliness, and completeness of, payments to paying agents for debt costs and fiscal agent fees; and
- the selection of other transactions to determine compliance with laws and regulations.

Approach to be taken in determining laws and regulations that will be subject to audit test work

A key component in auditing any governmental entity is to determine those laws, regulations, and contracts that have a significant impact on the financial statements. Our audit approach in this area involves:

- Review of enabling legislation
- Review of prior financial statements
- Inquiry of management and staff
- Review of federal and state laws
- Review of grant agreements
- Review of contracts and other agreements

Once significant laws and regulations that affect the Town, have been identified, we will develop compliance testing to ensure that we address these issues.

Areas currently identified as significant compliance areas are:

- Bond covenants
- Federal and state grants
- Town's investment policy
- Pension Plan documents
- Other significant agreements



Approach to be taken to gain and document the understanding of the Town's internal control structure

Statement of Auditing Standards (SAS) Nos. 109 and 110 require us to gain an understanding of the Town, its environment, and its internal controls in order for us to properly plan our audit to address audit risk at the financial statement assertion level.

The objective in gaining this understanding is to identify types of potential misstatements, consider factors that affect the risk of material misstatement, and design tests of controls, when applicable, as well as substantive procedures.

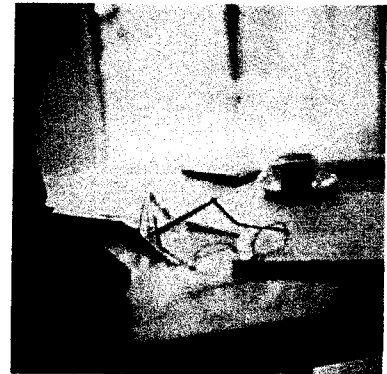
Procedures performed in our initial assessment will include: examination of the applicable documentation (including policies and procedures), contracts, debt agreements, and other documentation necessary to gain an understanding of the significant accounting and reporting controls in place; as well as our expectations of what controls should be in place. Once the understanding has been gained, we will perform walkthroughs of the controls documented, and make inquiries of your staff.

The scope of testing performed on controls will be determined based upon our evaluation of both inherent and control risk, along with our consideration of materiality (qualitative and quantitative) at both the financial statement and account balance level. This evaluation will be completed during the planning phase of the audit. The results of our assessment will determine the extent to which we will test controls, as well as the nature, timing, and extent of substantive audit procedures to be performed.

Changes in Accounting and Audit Standards

Our approach to this process is simple: work with our clients to ensure that the implementation of new accounting or auditing pronouncements goes smoothly, using a cooperative, proactive approach. The key to ensuring this is education. **As a member of the AICPA's State and Local Government Task Force, Dan O'Keefe has second-to-none insight into what is new in the area of governmental accounting, reporting, and auditing.** We offer *free* annual CPE to our clients, and those sessions include updates on all new GASB pronouncements, as well as AICPA, GAO, or other applicable agency information. In addition, our training sessions are done in an open forum format, where other local entities can share their knowledge with your staff.

In addition to our annual training, we offer year-round consultation to our clients. We offer technical information, as well as applicable interpretations, to help our clients properly prepare for the effects of any new standards. Our goal is not to create findings but to help ensure our clients properly prepare for and implement new standards. While we do not give instructions to our clients on how to record transactions, we do provide them with the tools necessary to properly record their transactions.





Format of -Town-Provided Audit Documentation

Because we perform a truly paperless audit, we will be satisfied to obtain electronic versions of all Town documents, such as reconciliations, check registers, trial balance, memos, or other documents needed to perform our audit. In addition, at the Town's request, our skilled staff can utilize "read-only and report writing" access to your accounting software to obtain various trial balance and account detail information directly from your system without interrupting your staff. Our clients who provide us this level of access have found that it can save many hours of their staff's valuable time.

The results of this assessment will be integrated into our audit approach to improve audit efficiency and to further define the manner in which we address any identified risk factors.

Engagement Administration and Planning <u>Staff Level</u> Shareholder, Manager	<ul style="list-style-type: none">o Communication with those charged with governance to discuss goals, audit timetable, audit work plan, and particular areas of specialized concentration.o Make preliminary assessment of the Town, its environment, and its internal controls.o Update systems documentation and permanent file information.o Review status of prior-year audit recommendations or findings, if any, and ascertain whether they were appropriately resolved.o Identify all federal and state financial awards programs and evaluate scope for Federal and Single Audit Acts requirements (part of work plan, but do not anticipate any).o Document our understanding of all financially significant laws and regulations, and identify any new laws or regulations that require audit testing. Identify modifications or new inter-local agreements.o Discuss implementation of recent GASB pronouncements, and determine applicability of pending matters.



Minutes, Contracts, and Resolutions	<ul style="list-style-type: none">○ Review minutes of meetings of the Town Commissioners and prepare an abstract of information relative to the audit of the financial statements.○ Obtain data concerning outstanding contractual commitments, if any, for financial statement disclosure adequacy.
<u>Staff Level</u> Manager	<ul style="list-style-type: none">○ Design tests of controls for compliance with applicable laws and regulations and the Rules of the Auditor General of the State of Florida.○ Develop a compliance work program and incorporate it into the overall audit plan.

Substantive Testing	



<p>Receivables, Revenue, and Cash Receipts</p> <p><u>Staff Level</u> Senior and Staff</p>	<ul style="list-style-type: none"> ○ Ascertain that only earned revenues, if any, in the fiscal year have been recorded, and amounts uncollected at year-end presented as receivables are valid. Ascertain that the Town has satisfied the relevant legal requirements to receive all revenues recorded. ○ Ascertain that the revenues were billed or charged and recorded at the correct amount and receivables are stated at the net realizable amount. ○ Ascertain that amounts billed for services rendered are valid and have been billed to customers at authorized rates. ○ Ascertain that unbilled service revenues are appropriately reflected in the proper accounting period. ○ Ascertain that an adequate allowance for doubtful accounts has been established and that the related amounts and disclosures are properly presented in the financial statements. ○ Ascertain that receivables are properly classified in the financial statements and that related disclosures are adequate.
<p>Property, Plant, Equipment, and Capital Expenditures</p> <p><u>Staff Level</u> Senior and Staff</p>	<ul style="list-style-type: none"> ○ Ascertain that property and equipment represent a complete and valid listing of the capitalizable cost of assets purchased, constructed, or leased, and are physically on hand. ○ Ascertain that capital expenditures represent a complete and valid listing of the capitalizable cost of the property and equipment acquired during the period, and capitalizable costs are excluded from repairs and maintenance and similar expenditure accounts. ○ Ascertain that capitalized costs and related depreciation associated with all sold, abandoned, damaged, or obsolete fixed assets have been removed from the accounts.



	<ul style="list-style-type: none">○ Ascertain that depreciation charges on all depreciable assets have been computed on an acceptable and consistent basis and that the related allowance accounts are reasonable.○ Ascertain that capital expenditures and fixed assets are properly classified and related disclosures are adequate.
Payroll and Related Liabilities <i>Staff Level</i> Senior and Staff	<ul style="list-style-type: none">○ Ascertain that payroll disbursements are made only for work authorized and performed by authorized personnel.○ Ascertain that payroll is computed using rates and other factors in accordance with contracts and relevant laws and regulations.○ Ascertain that payroll and related liabilities are correctly recorded as to amount and period and properly distributed by account and budget category, and disclosures are adequate.○ Ascertain the status of employee compensatory benefits for accruals and disclosure.



Risk Management <u>Staff Level</u> Manager and Senior	<ul style="list-style-type: none">o Document and evaluate controls over the Town's risk management processes.o Review insurance coverage in place to ensure it is active and applicable for the Town's risks.o Ensure proper disclosures are related to the Town's risk management.
Revenues <u>Staff Level</u> Senior and Staff	<ul style="list-style-type: none">o Perform analytical procedures related to water and wastewater charges for services.o Design and perform a revenue test to determine that proper rates are charged.o Compare revenue data for current period and historically to customer demographics.o Determine that impact fees are properly restricted and accounted for.o Examine supporting documentation for contributions of dedicated lines for developers.
Pensions Plans <u>Staff Level</u> Manager and Senior	<ul style="list-style-type: none">o We will evaluate the plan administrator of the plans and from that evaluation determine what controls we will evaluate at the administrator level.o We will review the process from contributions, eligibility, and other areas at the employer level to ensure the plans are being properly administered at the employer level.o As much as possible we will incorporate our evaluation of plan controls as part of our payroll control evaluation of the Town.
Grant Programs	<ul style="list-style-type: none">o Evaluate and test controls over compliance requirements.o Ascertain status and resolution of prior-year findings and questioned costs.



<p><u>Staff Level</u> Manager, Senior and Staff</p>	<ul style="list-style-type: none"> ○ Test grant revenue through confirmation with grantor agency and ascertain appropriateness of classification. ○ Ascertain that grant revenues and expenditures charged to grant programs are valid and complete and, if applicable, indirect costs are properly allocated. ○ Ascertain that grants are administered and grant revenues and expenditures are recorded in accordance with grant provisions and related laws and regulations. ○ Ascertain that grant-related amounts are properly presented and related disclosures concerning restrictions and compliance are adequate.
<p>General</p> <p><u>Staff Level</u> Shareholder, Principal, Manager, Senior</p>	<ul style="list-style-type: none"> ○ Coordinate review of the Management's Discussion and Analysis document for inclusion in the basic financial statements. ○ Complete all financial disclosure checklists. ○ Review status of prior-year audit recommendations and ascertain whether they were appropriately resolved. ○ Provide current-year audit findings and recommendations for improvements related to the financial statements, internal control, accounting, accounting systems, and compliance with policies and procedures. ○ Prepare preliminary drafts of audit reports and management letter and meet with management to review drafts prior to issuance. ○ Schedule and attend final meeting with management to finalize all financial reporting matters. ○ Present financial statements to management and Town Commission.

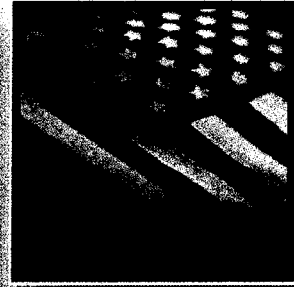
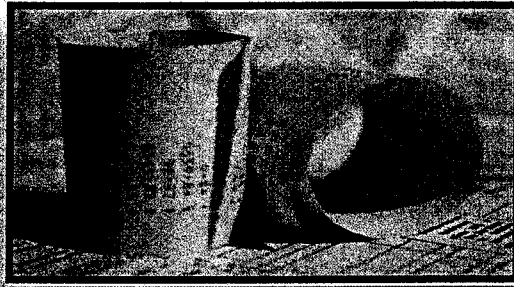
7. IDENTIFICATION OF ANTICIPATED POTENTIAL AUDIT PROBLEMS

Based on our review of the Town's prior-year CAFR and other information we have obtained, we do not note any specific audit issues or problems we cannot address. We noted that the Town received an unqualified audit report and there were no findings in the required *Yellow Book* report on internal controls or in the management letter.

There is, however, one particular area of concern for all local governments and that is the *American Recovery and Reinvestment Act* ("ARRA"). If the Town obtains any funding under this act, it will be imperative that all applicable compliance requirements are met. We expect this to impact your staff only to the extent of the specific types of funding you may receive under this Act. Staff will want to ensure that the appropriate policies and procedures are in place to ensure full compliance with any related grant requirements. We do not anticipate this resulting in any audit problems as your audit team will be fully aware of and trained in ensuring that these funds are properly audited.



When it comes to new accounting and reporting rules, it is important that you, the client, and we, the auditors, are on the same page. We share a common goal, to make certain that the Town's financial reporting is in compliance with generally accepted accounting principles and federal and regulatory requirements. As a Firm highly staffed with governmental professionals, we are confident that we are prepared to overcome any current or future audit challenges.



APPENDIX A

QUALIFIER WARRANTIES

- A. Qualifier warrants that it is willing and able to comply with State of Florida laws with respect to foreign (non-state of Florida) corporations.
- B. Qualifier warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Qualifier warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.
- D. Qualifier warrants that all information provided by it in connection with this qualification is true and accurate.

Signature of Official: 

Name (typed): Daniel J. O'Keefe

Title: Shareholder

Firm: Moore Stephens Lovelace, P.A.

Date: January 18, 2010

APPENDIX B

SWORN STATEMENT ON PUBLIC ENTITY CRIMES SECTION 287.133, FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Lauderdale-By-The-Sea

By Daniel J. O'Keefe
[print individual's name and title]

For Moore Stephens Lovelace, P.A.
[print name of entity submitting sworn statement]

whose business address is

14400 N.W. 77th Court Suite 306

Miami Lakes, FL 33016

and (if applicable) its Federal Employer Identification Number (FEIN) is 59-307669

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____).

2. I understand that a "public entity crime" as defined in Paragraph 287.133(l)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or the United States, including, but not limited to, any bid or contract for goods and services to be provided to any public entity or an agency or political subdivision of any other state or of the United States involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(l)(b), Florida Statutes, means a finding of guilt or a conviction or a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an "affiliate" as defined in Paragraph 287.133(l)(a), Florida Statutes, means:
- a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents

who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an entity.
6. Based on information and belief, the statement that I have marked below is true in relation to the entity submitting this sworn statement. [Indicate which statement applies.]

☒ Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

☐ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

☐ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list, [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Jabara A. Lieberman
Jennifer K. Aron


By: Ding. Dille

January 18, 2010

STATE OF FLORIDA)
COUNTY OF Orange)SS:

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 18th day of January, 200 2010

Greene M. Onellitto
NOTARY PUBLIC


 Notary Public State of Florida
 Arlene M Ouellette
 My Commission DD784593
 Expires 05/01/2012

APPENDIX C

NON-COLLUSION AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is Daniel J. O'Keefe of Moore Stephens Lovelace, P.A., the Qualifier that has submitted the attached Qualification;
2. He / She is fully informed respecting the preparation and contents of the attached Qualification and of all pertinent circumstances respecting such Qualification;
3. Such Qualification is genuine and is not a collusive or sham Qualification;
4. Neither said Qualifier nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Qualifier, firm or person to submit a collusive or sham qualification in connection with the Agreement for which the attached Qualification has been submitted or to refrain from qualifying in connection with such Agreement, or has in any manner, directly or indirectly, sought by agreement of collusion or communication of conference with any other Qualifier, firm, or person to fix the price or prices, or of any other Qualifier, or to fix any overhead, profit or cost element of the qualification or the response of any other Qualifier, or to secure through any collusion, connivance, or unlawful agreement any advantage against Lauderdale-By-The-Sea, Florida, or any person interested in the qualified Agreement; and

[THIS SPACE INTENTIONALLY LEFT BLANK]

5. The response to the attached RFQ is fair and proper and is not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Qualifier or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

D. J. O'Keefe
Signature (Blue ink only)

Daniel J. O'Keefe

Print Name

Shareholder

Title

January 18, 2010
Date

Witness my hand and official notary seal/stamp at Moore Stephens Lovelace, P.A. the day and year written above.

STATE OF FLORIDA)
)SS:
COUNTY OF Orange)

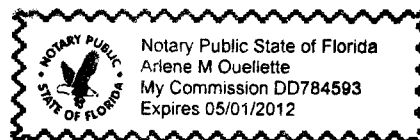
BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Daniel J. O'Keefe as Shareholder, of Moore Stephens Lovelace, P.A., an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of Moore Stephens Lovelace, P.A. for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / ~~She~~ is personally known to me ~~or has produced~~ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 18th day of January, ~~200~~ 2010

Arlene M. Ouellette
NOTARY PUBLIC

My Commission Expires:

RFQ 09-12-02



APPENDIX D

ACKNOWLEDGMENT OF ADDENDA

The Qualifier hereby acknowledges the receipt of the following addenda issued by the Town and incorporated into and made part of this RFQ. In the event the Qualifier fails to include any such addenda in the table below, submission of this form shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her.

ADDENDUM NUMBER	DATE RECEIVED	PRINT NAME	TITLE	SIGNATURE (BLUE INK ONLY)

[THIS SPACE INTENTIONALLY LEFT BLANK]

APPENDIX E

INDEPENDENCE AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is Daniel J. O'Keefe of Moore Stephens Lovelace, P.A., the Qualifier that has submitted the attached Qualification;
2. (a) Below is a list and description of any relationships, professional, financial or otherwise that Qualifier may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years.

(b) Additionally, the Qualifier agrees and understands that Qualifier shall give the Town written notice of any other relationships professional, financial or otherwise that Qualifier enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of this Agreement.

(If paragraph 2(a) above does not apply, please indicate by stating, "not applicable" in the space below.)

Not Applicable

[THIS SPACE INTENTIONALLY LEFT BLANK]

6. I have attached an additional page to this form explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in the RFQ.

D. J. O'Keefe
Signature (Blue ink only)

Daniel J. O'Keefe

Print Name

Shareholder

Title

January 18, 2010
Date

Witness my hand and official notary seal/stamp at Moore Stephens Lovelace, P.A. the day and year written above

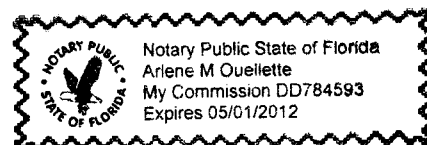
STATE OF FLORIDA)
COUNTY OF Orange)SS:

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Daniel J. O'Keefe as Shareholder, of Moore Stephens Lovelace, P.A., an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of Moore Stephens Lovelace, P.A. for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / ~~She~~ is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 18th day of January, 200 2010

Ariene M. Ouellette
NOTARY PUBLIC

My Commission Expires:



GLSC & Company, PLLC

PROPOSAL TO PROVIDE
AUDITING SERVICES
FOR THE

TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2010
WITH THE OPTION OF AUDITING ITS FINANCIAL STATEMENTS
FOR EACH OF FOUR (4) SUBSEQUENT FISCAL YEARS

RFQ 09-12-02-0-2009/KK

DUE: JANUARY 19, 2010 - 2:00 p.m. EST



GLSC & COMPANY, PLLC
certified public accountants

Contact Persons: Pablo R. Llerena, CPA – llerena@glscppa.com
Manuel M. Garcia, CPA – mmgarcia@glscppa.com

6303 Blue Lagoon Drive, Suite 200,
Miami, Florida 33126-6205
Telephone: (305) 373-0123



GLSC & COMPANY, PLLC
certified public accountants

6303 Blue Lagoon Drive • Suite 200
Miami, Florida 33126-6025
(305) 373-0123 • (800) 330-4728
Fax (305) 374-4415
www.glsc CPA.com

January 15, 2010

June White, Town Clerk
Town of Lauderdale-by-the-Sea
4501 Ocean Drive,
Lauderdale-by-the-Sea, Florida 33308

GLSC & Company, PLLC ("GLSC") appreciates the opportunity to respond to Town of Lauderdale-by-the-Sea, Florida (the "Town") Request for Qualifications RFQ-09-12-02-0-2009/kk (RFQ) to conduct the Town's annual audit and its financial statements and financial statements of Volunteer Firefighters' Pension Fund for the fiscal years ending September 30, 2010.

GLSC fully understands the scope of the professional services and work products requested in this RFQ. Our audit will follow auditing standards generally accepted in the U.S. of America, *Generally Accepted Government Auditing Standards*, issued by the Comptroller General of the United States, provisions of the Federal Single Audit Act Amendments of 1996, and the U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of State and Local Governments*, provisions of the Florida Single Audit Act, and Chapter 10.550, Rules of the Auditor General of the State of Florida. Our audit will include procedures to determine whether the operations of the Town are properly conducted in accordance with legal, regulatory, grant and contractual requirements, including Florida Statutes, Federal Laws and the Town Commission's policies and procedures. We will deliver our reports in accordance with those and your requirements.

GLSC is a medium-size South Florida professional Limited Liability Company licensed Certified Public Accounting firm based in Miami and have provided auditing services in South Florida for the past 30 years. GLSC is a member of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants.

Last year, GLSC performed approximately 40 audits under Governmental Auditing Standards, including 25 Single Audits in excess of 9,000 hours of services for our governmental and nonprofit clients. GLSC currently provides governmental auditing / accounting services to over 30 Public Sector Client.

GLSC can assure the highest professional qualifications of the staff we will utilize for this engagement. In addition to our governmental focus, it is GLSC's policy that all professional employees earn more than the minimum CPE credits required for governmental audits.



GLSC & COMPANY, PLLC
certified public accountants

January 15, 2010

Town Clerk
Town of Lauderdale-by-the-Sea

GLSC have assisted all of our past and present clients participating in the GFOA Certificate of Achievement for Excellence in Financial Reporting Program (CAFR) to qualify for this award. We are proud to state that all of the financial statements we have reported in the certificate program have been awarded with the Certificate. GLSC commits to provide special assistance to the Town of Lauderdale-by-the-Sea to meet the requirements of that program.

GLSC has an impeccable reputation. We have never been involved in any litigation, proceeding or disciplinary action or been charged with or convicted of a public entity crime

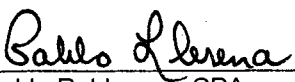
GLSC commits to perform the audit within your specified time period. In addition, we will hold progress reports with the Finance Department personnel and keep them informed of any findings throughout the entire audit process. We will discuss all significant findings with the appropriate Town's personnel.

We certify this proposal is made without previous understanding, agreement or connection either with any previous firms or corporations offering a Proposal for the same audit or with the Town. We also certify our proposal is in all respects fair, without outside control, collusion, fraud, or otherwise illegal action, and were prepared in good faith. Only the person(s), company or parties interested in the project as principals are named in the proposal. GLSC has no existing or potential conflicts of interest and anticipates no conflicts of interest during the engagement. This proposal is a firm and irrevocable offer for ninety (90) days.

Pablo Llerena, CPA and Manuel M. Garcia, CPA, Partners, are authorized to make representations for and to bind the firm. They can be reached at (305) - 373-0123. Their e-mail addresses are llerena@glscppa.com and mmgarcia@glscppa.com, respectively. Our Federal I.D Number is 20-3157326. Please do not hesitate to call if you have any questions about the information provided in this package.

Very truly yours,

GLSC & Company, PLLC


Pablo R. Llerena, CPA



Technical Proposal

3.1 General Requirements

GLSC agrees to address all points outlined in your request for proposal and adhere to the instructions for preparing and submitting the proposal.

3.2 Independence

GLSC's partners and its employees are independent of the Town of Lauderdale-by-the-Sea, Florida as defined by auditing standards generally accepted in the United States of America and the U.S. General Accountability office's *Government Auditing Standards (GAS)*

3.3 License to Practice in Florida

GLSC is a properly registered/licensed State of Florida professional association, and our assigned key professional staff are properly registered/licensed to practice in the State of Florida and are qualified to perform governmental audits (ref. Appendix I).

3.4 Firm Qualifications and Experience

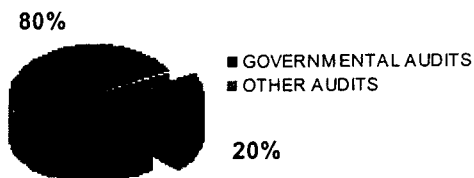
GLSC is an accounting firm (South Florida professional Limited Liability Company) providing comprehensive financial and compliance auditing, attestation, accounting and other management consulting and tax services.

By focusing our expertise on governmental and non-for profit entities, we provide the highest level of financial and compliance auditing and consulting services to our Governmental and Non-for-Profit Sector Clients.

Last year, GLSC performed:

- In excess of 9,000 hours of services to our Public Sector Clients
- 40 Audits under Governmental Auditing Standards (GAS)
- 25 Single Audits

The office of GLSC performing the audit is located at 6303 Blue Lagoon Drive, Suite 200; Miami Florida 33126-6025.



STAFF

GLSC has a total of 24 full-time employees, 20 professional staff, including 4 Partners and 14 professionals who specialize in providing auditing, accounting and consulting services to the Governmental and Non-for-Profit Sector.

National Firm Resources With Local Firm Personalized Service Philosophy

With the equally important goals of serving our clients' best interest while remaining locally owned and autonomous, our firm has chosen to be affiliated with BKR International. BKR International is an association of independent CPA firms that provides a worldwide network of accounting and business advisors from 112 accounting firms in 65 countries. This affiliation gives us access to 56 CPA firms in the United States with expertise in governmental accounting, auditing and information technology.



GLSC & COMPANY, PLLC
certified public accountants

Technical Proposal

(Continued)

3.4 Firm Qualifications and Experience (Continued)

Quality Control and Confidentiality

GLSC participates in an external quality review program requiring an on-site independent examination of our accounting and auditing practice. GLSC has consistently received an unqualified opinion on the quality of our audit practice, including our firm's last external quality control review (for the year ended June 30, 2007). See copy of the report on the firm's most recent quality review in Appendix II. Note: our firm's quality control review included a review of specific governmental engagements.

In addition to scheduled Peer Reviews, our firm continually monitors performance to ensure the highest quality of services. Under the supervision of the Audit Partners, an Audit Manager is responsible for monitoring quality control of all appropriate engagements.

Results of State and Federal Reviews

All state and federal reviews of the firm's reports and audit documentation have been accepted without change or revision to issued reports.

Compliance with Government Education Requirements

In order to maintain our high level of technical competence, we provide continuing professional education programs for all partners and professional staff members which exceed national and state standards. **All of the audit professionals of GLSC exceed the education requirements as set forth in *Government Auditing Standards*, published by the Comptroller General of the United States.**

Our continuing professional education programs ensure that all audit staff members meet the requirements to participate in audits of government agencies.

Memberships

All of the firm's CPA's are properly licensed as CPA's and members in good standing of both the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants. In addition, certain firm professionals are members of the following professional groups:

- ◆ Florida Government Finance Officers Association
- ◆ Special Review Committee of the Government Finance Officers Association
- ◆ BKR International Committee on Governmental and Non-Profit Accounting and Auditing



GLSC & COMPANY, PLLC
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Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience

Engagement Partner –

The engagement will be performed under the direct supervision of an Engagement Partner. The Engagement Partner has direct responsibility for engagement policy, direction, supervision, quality control, security and communication with Town personnel. The Engagement Partner will be responsible for the quality control, supervision and confidentiality of information of the engagement and will participate extensively during the various stages of the engagement. **He will attend meetings, respond to telephone calls and respond to specific inquiries on a day-to-day basis as primary point of contact.**

He will also be involved in:

- coordinating all services to the Town;
- directing the development of the overall audit approach and plan;
- performing an overriding review of work papers;
- resolving technical accounting and reporting issues;
- reviewing, approving and signing reports, management letters, and other audit engagement products;
- supervising staff;
- ascertaining the Town is pleased with all aspects of our engagement, such as services and the personnel assigned;
- leading meetings and discussions with key management personnel; and
- meeting with governing board to present audit reports.

PABLO R. LLERENA, CPA will be the Engagement Partner. Mr. Llerena has extensive experience in governmental audits, and has performed governmental audits for the **last 28 years**. He will devote a substantial part of his time to the completion of the work.

Audit Manager –

The Audit Manager will be assigned full time and will work closely with the partners. He will be responsible for the overall review of the work and compliance with the firm's quality control standards and regulatory compliance requirements. He will ensure that the financial statements and all other reports are prepared in accordance with professional standards and firm policy.

He will be responsible for all phases of the fieldwork and he will be:

- supervising staff;
- planning the audit;
- preparing or modifying audit programs, as needed;
- evaluating the internal control of the computer department;
- evaluating internal control and assessing risk;
- reviewing audit documentation for compliance with audit requirements and completeness;
- communicating with the Town and the partners the progress of the audit; and
- reviewing financial statements and all reports issued by the firm for accuracy, completeness and that they are prepared in accordance with professional standards and firm policy.

WILBERT SANTOS will be the Audit Manager. Mr. Santos was selected because of his experience in governmental and public-sector audit engagements. He will devote 100% of his time to the completion of the work. He has performed public sector audits for 5 years.



GLSC & COMPANY, PLLC
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Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience (Continued)

SUPERVISOR/SENIOR ACCOUNTANT

A Supervisor/Senior Accountant will be assigned full-time to the engagement. The Supervisor/Senior accountant will perform complex audit procedures and assist the Partners and Manager in the actual performance of the engagement.

ZSOLT CZIRA will be the Supervisor / Senior Accountant. Mr. Czira was selected because of his ability and experience performing governmental audit. He is well versed in the uniqueness of Governmental audits and will devote 100% of his time to the completion of the work.

Concurring Review and Advisory Partner

A Concurring Review and Advisory Partner will assist the Engagement Partner and be available as a sounding board to advice in those areas where problems are encountered. He will perform a second review of all reports to be issued by GLSC, and will also be available in those instances in which the Engagement Partner is not available.

MANUEL M. GARCIA, CPA will be the Concurring Review and Advisory Partner. Mr. Garcia has been involved in performing governmental audits for **35 years**, and is the Concurring Review and Advisory Partner of all the governmental audits of the firm. He is responsible for the firm-wide audit practice and the allocation of firm resources to meet the needs of clients.

**GLSC's AUDIT MANAGEMENT TEAM
MEMBERS' YEARS OF
GOVERNMENTAL AUDITING
EXPERIENCE**

PABLO LLERENA, CPA (Engagement Partner):
**28 YEARS OF TOTAL GOVERNMENTAL
AUDITING EXPERIENCE**

MANUEL M. GARCIA, CPA (Concurring
Partner):
**35 YEARS OF TOTAL GOVERNMENTAL
AUDITING EXPERIENCE**

WILBERT SANTOS - (Audit Manager):
**5 YEARS OF TOTAL GOVERNMENTAL
AUDITING EXPERIENCE AND A TOTAL
OF 10 YEARS AUDITING EXPERIENCE.**

ZSOLT CZIRA - (Supervisor/Senior
Accountant)
**5 YEARS OF TOTAL GOVERNMENTAL
AUDITING EXPERIENCE AND A TOTAL
OF 8 YEARS AUDITING EXPERIENCE.**

**73 TOTAL YEARS, GOVERNMENTAL
AUDITING EXPERIENCE**



GLSC & COMPANY, PLLC
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Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience (Continued)



GLSC's engagement team's workload is organized in such a way that additional activities brought about by this engagement will not impact our current commitments to our clients. We have sufficient staff capacity to integrate

these professional services for the Town into our present operations, while continuing to maintain the highest standards of quality and time lines for our clients. *The Manager and Senior Accountant will devote all of their time to performing the Town's audit engagement.*

Quality of the Staff over the Term of the Engagement

The Engagement Partner and Audit Manager will be designated **"KEY" MEMBERS**. **We pledge to the Town they will be returned to the audit each year of the engagement.** *In the unlikely event that it does become necessary to replace any of the Partners, Manager or Senior Accountant, we will first attain the Town's express prior written permission to do so. We understand the Town's right to accept or reject replacements.* In addition to the engagement team members proposed herein, we also have other, well-qualified professionals who stand ready to serve the Town's needs, if required.

GLSC can assure the highest professional qualifications of the staff we will utilize for the Town's engagement.

In addition to our governmental focus, it is GLSC's policy that all professional employees earn more than the minimum CPE credits required for governmental audits. Further, because we are a growing firm, we have an ongoing recruitment program that seeks only those accountants with a proven record of academic success. When we recruit at the senior and manager level, we select accountants with proven governmental accounting and auditing experience.



GLSC & COMPANY, PLLC
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Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience (Continued)

PABLO R. LLERENA, CPA
e-mail: llerena@glscpa.com

Position

Engagement Partner

Education

Bachelor Degree, Business Administration, 1980
Florida International University

Professional History

- CPA, in Florida since 1982, Certificate No. 10158
- Partner of GLSC and predecessor firms since 1995
- Audit manager, senior accountant and staff of GLSC and predecessor firms from 1983 to 1995
- Staff with local accounting firm, 1980 to 1982

Clients Served

Mr. Llerena is the lead partner for all the governmental audits of the firm. A partial list of governmental and non-for-profit audit clients served follows:

- City of Oakland Park (5 years)
- City of Tamarac (6 years)
- City of Margate (3 years)
- Town of Miami Lakes (7 years)
- City of Pembroke Pines – Joint Venture (3 years)
- City of Dania Beach (2 years)
- City of Lauderdale Lakes (3 years)
- City of Lauderhill (5 years)
- City of Miami Springs (2 years)
- Town of South Ranches (5 years)
- City of South Miami (2 years)
- North Broward Hospital District – Joint Venture (2 years)
- Miami-Dade County School Board – Joint Venture (10 years)
- Miami-Dade County – Joint Venture (5 years)
- Downtown Development Authority of the City of Miami (9 years)
- Housing Authority of the City of Miami Beach (5 years)

- Broward County School Board – Joint Venture (2 years)
- Broward County Housing Authority (4 years)
- Hialeah Housing Authority (2 years)
- Tampa Housing Authority (2 years)
- Cuban American National Council (15 years)
- Little Havana Activities and Nutrition Centers (7 years)
- Youth Co-Op (2 years)
- Peninsula Housing Projects (10 years)
- Florida Immigrant Advocacy Center (3 years)
- Lincoln Marti Community Agency (5 years)

Professional Education

Educational courses taken during the last two (2) years.

<u>Course</u>	<u>Hours</u>
Government Accounting and Auditing	80
Accounting and Auditing and other	30
	<u>110</u>

Other Qualifications

As a member of the Government Finance Officers Association Special Review Committee, Mr. Llerena has participated in the review process for awarding the GFOA Certificate of Achievement in Financial Reporting, and has reviewed over 40 reports during the past five years. In addition, Mr. Llerena was the team captain for the Quality Review of the Office of Management Audits of Miami-Dade County School Board.

Professional Associations

- ◆ Member, American Institute of Certified Public Accountants
- ◆ Member, Florida Institute of Certified Public Accountants
- ◆ Member, Florida Government Finance Officers Association
- ◆ Member, Government Finance Officers Association
- ◆ Member, Cuban American Certified Public Accountants Association



GLSC & COMPANY, PLLC
certified public accountants

Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience (Continued)

MANUEL M. GARCIA, CPA
e-mail: mgarcia@glscpa.com

Position
Concurring/Advisory Partner

Education

Bachelor of Science, Majoring in Accounting, 1970,
Florida Atlantic University

Professional History

- CPA, in Florida since 1976, Certificate No. 5784
- Partner of GLSC and predecessor firms since 1983
- Owner of local practice, 1975 to 1982
- Staff for national accounting firm, 1971 to 1974

Clients Served

Mr. Garcia is the client service / advisory partner on several governmental audits. A partial list of governmental and non-for-profit audit clients served follows:

- Town of Miami Lakes (5 years)
- City of Miami Springs (2 years)
- City of Lauderdale Lakes (3 years)
- City of Oakland Park (3 years)
- City of Tamarac (4 years)
- City of Margate (3 years)
- City of Dania Beach (2 years)
- Miami-Dade County School Board
 - Joint Venture (10 years)
- Downtown Development Authority of the City of Miami (9 years)
- Housing Authority of the City of Miami Beach (5 years)
- Broward County Housing Authority (4 years)
- Cuban American National Council (15 years)
- Little Havana Activities and Nutrition Centers (7 years)
- Youth Co-Op (2 years)
- Peninsula Housing Projects (10 years)
- Broward County School Board – Joint Venture (2 years)

Professional Education

Course	Hours
Government Accounting and Auditing	80
Accounting and Auditing and other	30
	<u>110</u>

Professional Associations

- Member, American Institute of Certified Public Accountants
- Member, Florida Institute of Certified Public Accountants
- Member, Cuban American Certified Public Accountants Association
- Member, Association of Certified Fraud Examiners
- Ex-member and former Chairman of the Board of Governors of the Florida Joint Underwriters Association
- Ex-member of the Audit Committee of Miami-Dade County School Board
- Ex-Chairman of the Audit Committee of the City of Miami



GLSC & COMPANY, PLLC
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Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience (Continued)

WILBERT SANTOS-

e-mail: wsantos@glsc CPA.com

Position

Audit Manager

Education

Bachelors of Science, Accounting, 1994, Angeles University Foundation

Professional History

Passed the CPA exam and is licensed by the State of California.

Senior Accountant to Manager of GLSC since 2004
5-years experience from Staff to Senior Accountant level Pricewaterhouse Coopers

Clients Served

A partial list of governmental and non-for-profit audit clients served follows:

City of Tamarac – (5 years)
City of Margate – (3 years)
Town of Miami Lakes – (5 years)
City of Lauderhill – (2years)
City of Oakland Park – (1 year)
Cuban American National Council - (4 years)
Little Havana Activities and Nutrition Centers - (2 years)
Peninsula Housing Projects - (5 years)
Broward County School Board – Joint Venture (2 years)

Continuing Professional Education

<u>Course</u>	<u>Hours</u>
Accounting and Auditing and other	<u>110</u>

Professional and Business Affiliations

Associate, American Institute of Certificate Public Accountant
Associate, Florida Institute of Certificate Public Accountant

ZSOLT CZIRA

e-mail: zsolt@glsc CPA.com

Position

Senior Accountant

Education

Bachelor Degree, Accounting, 1999,
Florida International University

Professional History

Passed the CPA exam and is licensed by the State of Virginia.

Senior Accountant since 2004

Staff Accountant of GLSC and predecessor firms from 2003 to 2004

Staff of local CPA firm 2000 to 2002

Clients Served

A partial list of governmental and non-for-profit audit clients served follows:

Town of Southwest Ranches (4 years)
City of Oakland Park (1 year)
City of Dania Beach (2 years)
City of Tamarac (1 year)
City of Margate (1 year)
City of Miami Springs (1 year)
Hialeah Housing Authority (1 year)
Miami Beach Housing Authority (2 years)
Miami-Dade County Public School Board- Impact Fee Fund (1 year)
Downtown Development Authority of the City of Miami (2 years)
Peninsula Housing Projects (2 years)
Youth Co-Op (2 years)
Florida Immigrant Advocacy Center (1 year)
Tampa Housing Authority (2 years)
School Board of Palm Beach County (1 year)

Continuing Professional Education

<u>Course</u>	<u>Hours</u>
Accounting and Auditing and other	<u>100</u>

Professional Associations

Member, Florida Institute of Certified Public Accountants



GLSC & COMPANY, PLLC
certified public accountants

Technical Proposal

(Continued)

3.5 Partner, Supervisory and Staff Qualifications and Experience (Continued)

TRAINING COURSES

Compliance with Government Education Requirements

In order to maintain our high level of technical competence, we provide continuing professional education programs for all partners and professional staff members, which exceed national and state standards. **All of the audit professionals of GLSC & Company exceed the education requirements as set forth in *Government Auditing Standards*, published by the Comptroller General of the United States, and our continuing professional education programs ensure that all audit professionals meet the requirements to participate in audits of government agencies.**

Professional Staff Training

Partners - All of our Partners are CPA's and have in **excess of 28 years** of diversified public accounting experience. They are responsible for overall engagement performance, policy, direction and quality control. They have **far exceeded minimum CPE requirements**.

Managers - All of our Audit Managers have a **minimum of 10 years** of diversified public accounting experience. They have demonstrated ability to plan audit engagements, supervise personnel and maintain frequent contact with clients. They continually upgrade their skills through the firm's continuing education programs and courses sponsored by the AICPA, FICPA and GFOA. They have **far exceeded minimum CPE requirements**.

Senior Accountants - All of our Senior Accountants have a **minimum of 4 years** of diversified public accounting experience. They perform audits, evaluate staff, review findings and prepare audit reports. They possess the potential for upward mobility. They have **far exceeded minimum CPE requirements**.

3.6 Prior Engagement with the Town of Lauderdale-by-the-Sea.

GLSC has never performed any professional services for the Town of Lauderdale-by-the-Sea, or any component units thereof.



GLSC & COMPANY, PLLC
certified public accountants

Technical Proposal

(Continued)

3.7 Similar Engagements with Other Government Entities

We have included below, ranked in total staff hours, five municipal audit engagements requiring compliance with laws, regulations, contracts and grants; follow fund accounting requirements; have capital projects, financing requirements, enterprise funds, pension trusts and Single Audits which we believe are similar to the Town of Lauderdale-by-the-Sea.

CLIENT INFORMATION	Years Served	Audit Hours
City of Tamarac CAFR, Financial Audit, Governmental Audit, Federal and State Single Audit, Utility Audit Years Served: Since 2002 Contact: Jeffrey Miller, City Manager, (954) 597-3500 Partners: Pablo R. Llerena Manuel Garcia	6	700
City of Margate CAFR, Financial Audit, Governmental Audit, Federal and State Single Audit Years Served: Since 2006 Contact: Gail P. Gargano, (954) 935-5353 Partners: Pablo R. Llerena Manuel Garcia	3	700
Town of Miami Lakes Financial Audit, Governmental Audit Years Served: Since 2001 Contact: Joyce Norris, Accountant, (305) 364-6100 Partners: Pablo R. Llerena Manuel Garcia	7	300
City of Pembroke Pines - (Joint Venture) CAFR, Financial Audit, Governmental Audit, Federal and State Single Audit Years Served: Since 2004 Contact: Rene Gonzalez (954)-435-6525 Partners: Pablo R. Llerena Manuel Garcia	5	500
City of Oakland Park - (Joint Venture) CAFR, Financial Audit, Governmental Audit, Federal and State Single Audit Financial Audit, Governmental Audit Years Served: Since 2001 Contact: John Stunson (954) 375 - 7005 Partners: Pablo R. Llerena Manuel Garcia	7	200



GLSC & COMPANY, PLLC
certified public accountants

Technical Proposal

(Continued)

3.7 Similar Engagements with Other Government Entities (Continued)

LISTING OF CURRENT GOVERNMENTAL CLIENTS	No. of Funds	Total Revenues	Client Since Inception	Financial Audits	Governmental Audit	Single Audit	Utility Audit	CAFR	GASB No. 34	Years of Services	Year End
Municipalities or Related Component Units											
City of Tamarac	24	\$ 88M		✓	✓	✓	✓	✓	✓	6	9/30
City of Margate	16	86M		✓	✓	✓	✓	✓	✓	3	9/30
City of Margate Community Redevelopment Agency	1	7M		✓	✓				✓	3	9/30
Northwest Focal Point Senior Center	1	1M		✓	✓				✓	3	9/30
City of Oakland Park (Joint Venture)	26	68M		✓	✓	✓	✓	✓	✓	6	9/30
City of Pembroke Pines (Joint Venture)	26	288M		✓	✓	✓	✓	✓	✓	3	9/30
Town of Miami Lakes	4	22M	✓	✓	✓	✓	✓		✓	7	9/30
Special Districts											
North Broward Hospital District (Joint Venture)				✓	✓	✓			✓	2	6/30
Broward County Public School District (Joint Venture)				✓	✓	✓		✓	✓	2	6/30
Downtown Development Authority of the City of Miami									✓	9	9/30
Schools or Related Public Services											
Youth Co-Op Charter School				✓	✓					2	6/30
Cuban American National Council (School)			✓	✓	✓	✓				24	12/31
Lincoln Marti Charter School				✓	✓	✓				6	6/30
Downtown Miami Charter School				✓	✓	✓				6	6/30



GLSC & COMPANY, PLLC
certified public accountants

Technical Proposal

(Continued)

3.8 Specific Audit Approach

SCOPE / WORK PRODUCTS / RESULTS

Understanding of Work Product / Scope of Services:

We recognize the Town of Lauderdale-by-the-Sea is an important entity in Broward County and its responsibilities create a challenging and dynamic organization. We are confident our firm is qualified to meet the challenges of this engagement and deliver quality audit services to the Town. *The Town of Lauderdale-by-the-Sea would be a valued client of our firm and we pledge to commit all firm resources to provide the level and quality of services (as described below) which both fit the Town's needs and exceed the Town's expectations.*

GLSC will perform an audit of the government-wide financial statements and related governmental funds financial statements and the financial statements of Volunteer Firefighters Pension Fund for the fiscal year ending September 30, 2010, in order to express an opinion on the fair presentation of the Town's general purpose financial statements in conformity with accounting principles generally accepted in the United States of America. Our audit will be conducted under auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550 Rules of the Auditor General. Our audit will include procedures to determine whether the operations of the Town are properly conducted in accordance with legal, regulatory, grant and contractual requirements, including Florida Statutes, Federal Laws and the Town Commission's policies and procedures.

We will provide an "in relation to" report on the combining and individual fund financial statements and supporting schedules based on the auditing procedures applied during the audit of the general-purpose financial statements, and perform certain limited procedures involving required "Management's Discussion and Analysis" and supplementary information required by the Governmental Accounting Standards Board.

In addition, we will also:

- Determine the financial report the Town filed with the Florida Department of Financial Services is in agreement with the financial statements for each fiscal year.
- Assist the Town in complying with the requirements of the Auditor General regarding the Town's assessment of its financial condition.
- Prepare a management letter pursuant to the requirements of the Auditor General of the State of Florida.
- Assist with the preparation of schedule of state and federal awards.
- Assist with the preparation of the Comprehensive Annual Financial Report (CAFR).



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

The firm will issue the following reports in accordance with applicable rules and standards on or before February 15 of each year:

- Report on an audit of the financial statements conducted in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.
- Report on Internal Control over Financial Reporting and Compliance and Other Matters based on an audit of Financial Statements in Accordance with *Government Auditing Standards*.
- Report on Compliance and Internal Control over Compliance Applicable to each Major State and Federal Programs in accordance with OMB Circular A-133, if applicable.
- Management Letter required by Section 10.554(g) of the Rules of the Auditor General of the State of Florida

Our approach to developing the report on our findings is particularly important given the increasing financial pressures and public scrutiny facing today's public officials. Our report will include pertinent findings, cause, effect, recommendations for improvement, and suggestions for recommendation implementation, as appropriate. It will also include written response from management.

We will make suggestions to improve the Town's performance, procedures, and controls.

Any recommendations for operational improvement will be reasonable and constructive. If your management has already identified a relevant issue, our report will reflect this fact. To ensure full agreement with the circumstances, we will fully discuss each item with the appropriate Town personnel prior to the final exit conference. We will discuss pertinent issues only after preliminary communication with the responsible Town personnel. This policy means there will be no "surprises" in the report and fosters a professional, cooperative atmosphere.

Because we wish to assist you in identifying and solving problems before they become critical, we will provide feedback on more than just the items identified in the report. Our report will communicate significant deficiencies or other instances of non-compliance and will also recommend suggestions for improving operational efficiency including decreasing costs, improving management information effectiveness, protecting assets, etc.

We will immediately report all irregularities and illegal acts or indication of illegal acts to the Director of Finance, Town Manager, Town Council, and the Town Attorney.

AUDIT APPROACH

Our approach to the audit engagement integrates the best of traditional auditing techniques and a total systems concept. We will consider the methods used by the Town to process accounting information when planning our audit, since they influence the design of the internal control. The audit will be conducted in three phases, which are as follows:



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

Phase I – Risk Assessment (Interim and Planning State)

A thorough understanding of your organization, service objectives and its operating environment is essential for the development of an audit plan and for an efficient, cost-effective audit. During this phase, we will meet with appropriate personnel to obtain and document our understanding of your operations and service objectives and, at the same time, give you the opportunity to express your expectations with respect to the services that we will provide. Our work effort will be coordinated so that there will be minimal disruption to your staff.

During this phase we will perform the following activities:

- Review the regulatory, statutory and compliance requirements within which the Town operates. This will include a review of applicable laws, grant requirements, state statutes, resolutions, debt instruments, contracts, other agreements, and minutes of meetings of the Town Council.
- Review audit documentation of prior year auditor.
- Review major sources of information such as budgets, organization charts, procedures, manuals, financial systems, and management information systems.
- Obtain and document an understanding of the design and implementation of the Town's internal control.
- Consider the methods that the Town uses to process accounting information which influence the design of the internal control. This understanding includes knowledge about the design of relevant policies, procedures, and records, and whether they have been placed in operation by the Town.
- Assess risk.
- Determine what controls we are to rely upon, perform walkthrough documentation and test the operating effectiveness of controls if considered necessary.
- Develop audit programs to incorporate the consideration of financial statement assertions, specific audit objectives, and appropriate audit procedures to achieve the specified objectives.
- Identify and resolve accounting, auditing, and reporting matters.

A detailed audit plan and list of all schedules to be prepared by the Town will be provided by September 15 of each year.

Phase II - Perform Audit Plan (Field Work Stage)

The audit team will complete a major portion of transaction testing and audit requirements during this phase. The procedures performed during this period will enable us to identify any matter that may impact the completion of our work or require the attention of management.

Tasks to be performed in Phase II include the following:

- Perform substantive tests of account balances and transactions. Samples will be drawn of major transaction systems, including cash expenditures and procurement.
- Perform tests of compliance with laws, regulations, contracts, bonds, and grants.
- Analytical procedures are applied in this phase to corroborate the specific account balances.
- Review test results and preliminary conclusions.



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

Phase II - Perform Audit Plan (Field Work Stage) (Continued)

Year-end field work will begin in November or as soon as the Town's accounting records are closed for the year and the schedules are ready and be completed by January 15th of each year.

Phase III - Completion and Delivery (Reporting Stage)

In this phase of the audit, we will complete the tasks related to the closing of year-end balances and financial reporting. This will include final testing in the areas of compliance, balance sheet accounts, revenue and expenditures, among others. All reports will be reviewed with management before issuance, and the partners will be available to meet with the Town Council to discuss our report and address any questions they may have.

A draft and recommendation to Management will be submitted to the Town by February 1st of each year. We will discuss all significant findings with the appropriate Town's personnel. An exit conference will be held with the Finance Director, key Finance Department personnel and the Town Manager before the final report is issued. The final report will be prepared as soon as the draft report has been reviewed by Management and will be submitted by February 15 of each year. We will attend the next Town Council meeting to discuss the report and make a final presentation.

Year Round Involvement

We will provide period reports throughout the year assessing the impact of any significant regulatory changes; i.e. accounting or reporting developments proposed and/or adopted by Government Accounting Standards Boards/ Financial Accounting Standards Board or any other significant financial/accounting matters that may affect the Town.

Communications

We emphasize a continuous, year-round dialogue between the Town and our management team. We will schedule periodic progress meetings in addition to the entrance, interim and exit conference. During these meetings, Town personnel may inform us of their concerns, and we can draw upon our extensive experience with local government operations to offer the appropriate advice and counsel. We believe this continuous, open communication is critical to serving your needs.

In addition, we will be involved through the entire year, at no extra cost, to communicate new developments and changes occurring in the governmental sector.

**INVOLVED
THROUGHOUT
THE ENTIRE YEAR
AT NO
EXTRA COST**



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

LEVEL OF STAFF

To achieve the proper balance between the ability to recognize problems and the cost in performing the services, a significant portion of the engagement will be performed by our Management Team. We emphasize utilizing our highest experienced personnel because of their experience, training and education and corresponding abilities to recognize problems and deal with them expediently.

	Partner	Manager	Senior	Staff
% in number of hours per segment				
Phase I - Risk Assessment	40%	40%	20%	
Phase II - Perform Audit Plan	10%	20%	40%	30%
Phase III - Report and Delivery	30%	50%	20%	

SAMPLE SIZE AND STATISTICAL SAMPLING

Our professionals will utilize sampling methodologies designed to ensure effective audit procedures are applied in the most efficient manner.

Sampling Techniques

We will utilize representative audit sampling procedures with respect to tests of transactions and tests of controls, where a sample of documentation is to be tested as the principal evidence of a control. During tests of controls, the tests will generally consist of a combination of corroborative inquiry and either observation, examination of documents or re-performance. We will use attribute sampling to test documentary evidence as documentation will be the prime corroborative evidence of identified controls.

Statistical and Non-statistical Sampling

Tests of transactions and tests of controls can be performed using either statistically or non-statistically based techniques. Statistical approaches will be based on our calculation of risk factors. If a non-statistical approach is deemed appropriate, we will design our procedures to obtain levels of assurance that we judge to be equivalent to those required when using statistically based techniques.

Sample Sizes

For tests of controls, sample size will be based on the planned or supported assessed level of control risk and the number of planned or actual deviations expected. For transactions test work, sample size will be a function of population, materiality, and risk factors.

USE OF EDP SOFTWARE IN THE PROJECT

We are actively committed to using computer-based audit techniques. Our knowledge of information systems (IS) and the use of personal computers yield significant savings in the time required to complete an audit.

Today's marketplace provides firms, large and small, national and local, with sophisticated computer-aided audit tools necessary to perform data analysis and report generation. Software products, such as Audit Command Language (ACL) for Windows, are used to analyze data and produce reports.

A client's IS environment influences the nature, timing, and extent of planned auditing procedures. Because most of our clients utilize computerized accounting systems, our professional team is experienced with various IS systems. As computers have become more integral to the financial management system, we have met the challenge by incorporating new audit techniques into the audit process. Staff members are trained on new software and are skilled in a wide variety of computerized applications.



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

USE OF EDP SOFTWARE IN THE PROJECT

(Continued)

Each member possesses their own laptop computer equipped with pertinent audit-related software. We will utilize Prosystem FX for Windows, ACL for Windows, database programs and spreadsheet applications for auditing purposes.

An important component of our audit is the review of IS general controls. We understand that the effectiveness of many client control procedures is dependent on reliable computer-generated data which result from proper IS general controls. Therefore, we will analyze these controls to determine the adequacy of the internal control environment.

Our IS expertise, combined with extensive auditing and consulting experience means that we understand the technical intricacies of complex information systems in the context of real-world application.

Utilizing this expertise we will be able to:

- evaluate IS general controls within the computer environment;
- document critical transaction processing systems;
- identify key processes and controls within these transaction processing systems;
- evaluate the effectiveness of identified controls;
- advise the audit team on results of the evaluation and effect on planned audit procedures;
- design, develop and execute computer-assisted audit techniques using computer audit software packages;
- assess the internal controls

ANALYTICAL PROCEDURES

Statement of Auditing Standards on *Analytical Procedures* provides guidance on the use and extent of analytical procedures in all audits. Analytical procedures are required in the planning and overall review stages of the audit, and are used in the following areas:

Audit Planning

Analytical procedures can provide great insight in planning an audit. These analyses can enhance our understanding of the Town's transactions and events that may have occurred during the year under audit. We compare the current balances to the prior year and to the current budget. Isolating significant differences can identify areas that may require additional attention during the field work. For example, such a review could identify a new revenue source for which we would need to obtain documentation supporting the authority for collecting such monies.

Substantive Tests

Analytical procedures can be used as effective substantive tests in certain circumstances, for example, testing certain payroll related expenditures, such as payroll taxes, which are a specific percent of wages.

Overall Review

Analytical procedures used at the conclusion of the audit are designed to assess the conclusions reached and evaluate the overall financial statement presentation.



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

INTERNAL CONTROLS

The internal control segment is the foundation for the entire audit and involves an extensive understanding and evaluation of the Town's operating and management information systems and all related internal controls. The results of this evaluation will influence the nature, timing and extent of our substantive audit procedures. This approach ensures that we achieve maximum efficiency and provides valuable feedback to management regarding the effectiveness of controls being relied upon throughout the year.

A thorough understanding of the internal control structure of an organization is critical in planning our audit procedures and providing useful comments and recommendations to the Town. GLSC utilizes a standardized control overview document which assists us in identifying key elements within internal control, such as the entity's risk assessment process, the control environment, information and communication systems, and general monitoring and control activities.

- Our evaluation of internal control includes considering the individual components noted above and then considering the effectiveness of internal control as a whole. We will obtain our understanding of each of the elements through the following procedures:
- Meeting with the Town personnel to discuss operations; and
- Reviewing internal assessment of internal control

The control overview document helps to ensure that all elements of internal control are considered.

Subsequently, for significant internal control structure categories, we will obtain an understanding of the design of relevant policies and procedures, determine whether such procedures have been placed in operation and assess control risk. This review begins by holding interviews with data processing and accounting personnel and evaluating your internal system and accounting documentation. We will then prepare documentation of the major systems. To the extent it is available; we will also use internal control documentation currently available. This review is organized into major accounting cycles.

We have found through our experience that there are two primary methods to test controls.

- **Documented controls** – Tested by reviewing a sample of transactions for evidence that the control was being performed.
- **Undocumented controls** – Tested through inquiry and observation procedures with appropriate department personnel.

LAWS AND REGULATIONS

Statement on Auditing Standards from the American Institute of Certified Public Accountants, establishes standards for testing and reporting on compliance with laws and regulations. In all financial statement audits, the auditor must consider laws and regulations that have a direct and material effect on the financial statements. Further, the auditor designs audit procedures to provide reasonable assurance that the financial statements are free of material misstatements resulting from violations of these laws and regulations that have a direct and material impact on the financial statements. For governmental entities, this requirement is even more important given the variety of legal and contractual considerations typical of the government environment.



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Technical Proposal

(Continued)

3.8 Specific Audit Approach (Continued)

LAWS AND REGULATIONS

(Continued)

Identifying applicable laws and regulations is fundamental to fulfilling the responsibility of understanding their effects. We will obtain this knowledge through the following sources:

- Discussion of compliance requirements with the Town officials, including legal counsel.
- Identification of compliance matters in statutes, financial ordinances, Town policies, contracts, grants and debt agreements.
- Review of Town Council meeting minutes.
- Inquiries of the program administrator of the governmental entities that provided grants about restrictions, limitations, terms and conditions under which such grants were provided including review of the OMB Circular A-133 Compliance Supplement and the Florida Single Audit Act, if applicable.
- Our existing knowledge of federal and state laws.

AUDIT SAMPLES FOR TEST OF COMPLIANCE

Tests of compliance with laws and regulations are included with the tests of transactions and controls, when practical. Additional samples are sometimes necessary to test specific laws and regulations. Sample sizes for compliance testing are determined based on the number of transactions and the significance of the requirement.

3.7 Identification of Anticipated Potential Audit Problems

We are aware of the uniqueness of the Town and will anticipate any issues by addressing them at their early stages.

We do not know of any potential audit problems. If requested, GLSC can be involved throughout the entire year, at no extra cost, by providing assistance in current and new evolving issues.

Smooth Transition

GLSC's transition will be smooth, with minimal disruption of the Town's staff and operations. We can make this assurance because we are experienced in transitioning a number of governmental engagements. Our transition process assures the Town that:

- only staff with directly relevant experience and genuine interest in serving the Town will be assigned;
- all of our staff will be thoroughly oriented to the Town, its activities, organization and management;
- our staff, at all levels, will familiarize themselves with the Town's responsible staff and the areas in which they operate, and ensuring our staff will be immediately available to serve the Town; and
- the Town realizes benefits right from the start including a fresh look at the Town's control and systems.



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Conclusion

GLSC IS THE “**RIGHT**” CHOICE FOR THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA

GLSC PLEDGES THE FOLLOWING GUARANTEES

- ◆ Provide a *qualified* and *experienced* audit team possessing knowledge of the operation and administration of the Town's compliance and legal requirements, and accounting and reporting for operations pursuant to auditing standards and legal requirements
- ◆ Demonstrate our commitment to *quality client service* through:
 - ease of accessibility
 - prompt response to questions, comments, or requests
 - insight and suggestions regarding internal controls, management, and operation, as proper, for both financial and compliance considerations
- ◆ Provide value and services above and beyond the traditional auditor's "product" - we will "go the extra mile"
- ◆ Coordinate with the Town's personnel, to ensure *minimum* disruption and *maximum* contribution of Town staff
- ◆ Develop and maintain open lines of communication with the Town to help *expedite* the audit process and *avoid* awkward end-of-engagement "surprises"

*The partners and staff of GLSC are committed to providing the Town of Lauderdale-by-the-Sea with our resources and specialized expertise. We are committed to work closely with the Town's staff to accomplish not only those minimum requirements set forth in your Request for Proposal, but to **exceed** those expectations.*



GLSC & COMPANY, PLLC
certified public accountants

APPENDIX I - LICENSE TO PRACTICE IN FLORIDA

AC# 4669257 STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY SEQ# L09101400670

DATE	BATCH NUMBER	LICENSE NBR
10/14/2009	090186506	AD64298

The ACCOUNTANCY CORPORATION
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2011

GLSC & COMPANY PLLC
6303 BLUE LAGOON DRIVE, SUITE 200
MIAMI FL 33126-6025

CHARLIE CRIST GOVERNOR CHARLES W. DRAGO SECRETARY
DISPLAY AS REQUIRED BY LAW

AC# 4130622 STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY SEQ# L08110500390

DATE	BATCH NUMBER	LICENSE NBR
11/05/2008	080220054	AC0005784

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2010

GARCIA, MANUEL
GLSC & COMPANY
6303 BLUE LAGOON DRIVE
SUITE 200
MIAMI FL 33126

CHARLIE CRIST GOVERNOR CHARLES W. DRAGO SECRETARY
DISPLAY AS REQUIRED BY LAW

AC# 4128373 STATE OF FLORIDA
DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION
BOARD OF ACCOUNTANCY SEQ# L08110400461

DATE	BATCH NUMBER	LICENSE NBR
11/04/2008	088109099	AC0010158

The CERTIFIED PUBLIC ACCOUNTANT
Named below IS LICENSED
Under the provisions of Chapter 473 FS.
Expiration date: DEC 31, 2010

LLERENA, PABLO RAMON
6303 BLUE LAGOON DRIVE
SUITE 200
MIAMI FL 33126-6025

CHARLIE CRIST GOVERNOR CHARLES W. DRAGO SECRETARY
DISPLAY AS REQUIRED BY LAW

APPENDIX II – QUALITY CONTROL REVIEW



HEVIA, BEAGLES & COMPANY, P. A.
PROFESSIONAL CONSULTING GROUP
CERTIFIED PUBLIC ACCOUNTANTS

November 7, 2007

To the Owners
GLSC & Company, PLLC
f/k/a BKR Garcia & Company, PLLC

We have reviewed the system of quality control for the accounting and auditing practice of GLSC & Company, PLLC (the firm) in effect for the year ended June 30, 2007. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of CPAs (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others engagements performed under Government Auditing Standards and audits of employee benefit plans. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of GLSC & Company, PLLC in effect for the year ended June 30, 2007, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.

As is customary in a system review, we have issued a letter under this date that sets forth comments that were not considered to be of sufficient significance to affect the opinion expressed in this report.


Certified Public Accountants

APPENDIX II – QUALITY CONTROL REVIEW (Continued)



HEVIA, BEAGLES & COMPANY, P. A.
PROFESSIONAL CONSULTING GROUP
CERTIFIED PUBLIC ACCOUNTANTS

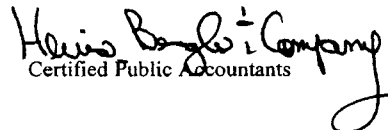
November 7, 2007

To the Owners
GLSC & Company, PLLC
f/k/a BKR Garcia & Company, PLLC



We have reviewed the accounting and auditing practice of GLSC & Company, PLLC (the firm) for the year ended June 30, 2007, and have issued our report thereon dated November 7, 2007. That report should be read in conjunction with the comments in this letter, which were considered in determining our opinion. The matters described below were not considered to be of sufficient significance to affect the opinion expressed in that report.

1. **Comment** - Newly issued professional standards require documentation of independence considerations when providing non-attest services to an attest client. The firm has established policies and procedures to safeguard independence, but has not established a policy for documenting those considerations on compilation and review engagements. As a result, such independence considerations were generally not documented on those engagements.

Recommendation - The firm should adopt a policy requiring this documentation and should hold a training session for all staff to familiarize them with these requirements. Compliance with this requirement should be evaluated during the firm's next annual inspection.


Certified Public Accountants

APPENDIX III - CERTIFICATE OF INSURANCE

 CERTIFICATE OF LIABILITY INSURANCE		OP ID CM GLSC-1	DATE (MM/DD/YYYY) 12/31/09
PRODUCER Gifford Wells Insurance 750 East Prospect Road Fort Lauderdale FL 33334 Phone: 954-563-1841 Fax: 954-563-1849		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED GLSC & Company PLLC 6303 Blue Lagoon Drive #200 Miami FL 33126		INSURERS AFFORDING COVERAGE	NAIC #
		INSURER A: Philadelphia Insurance Company INSURER B: INSURER C: INSURER D: INSURER E:	
COVERAGES THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.			
WORK ADJUST LTR INSRD	TYPE OF INSURANCE <input type="checkbox"/> GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)
			POLICY EXPIRATION DATE (MM/DD/YYYY)
			LIMITS EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS		COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO		AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	<input type="checkbox"/> EXCESS / UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$		EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	<input type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N <input type="checkbox"/> If yes, describe under SPECIAL PROVISIONS below		WC STATUS: <input type="checkbox"/> TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liab	PHSD472797	01/01/10 01/01/11
			Per Claim \$3,000,000 Aggregate \$3,000,000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS Accountants Professional Liability Insurance with 01/01/2006 prior acts date			
CERTIFICATE HOLDER		CANCELLATION	
PROOF OF INSURANCE		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Lynette C. Wells 	

ACORD 25 (2009/01)

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The ACORD name and logo are registered marks of ACORD

APPENDIX III – CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
1/4/2010

PRODUCER (954)382-4350, Fax(954)382-2810 SETNOR BYER INSURANCE & RISK 7901 SW 6th Court Suite 430 Plantation FL 33324		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED GLSC & Company, PLLC 6303 Blue Lagoon Drive Suite 200 MIAMI FL 33126		INSURERS AFFORDING COVERAGE INSURER A: Hartford Casualty Ins Co INSURER B: INSURER C: INSURER D: INSURER E:	NAIC #

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY	21SBARM5294	01/01/2010	01/01/2011	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 10,000
						PERSONAL & ADV INJURY \$ 1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE \$ 2,000,000
		POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/>				PRODUCTS - COMPIOP AGG \$ 2,000,000
A		AUTOMOBILE LIABILITY	21SBARM5294	01/01/2010	01/01/2011	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
		<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
		<input checked="" type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
		<input checked="" type="checkbox"/> HIRED AUTOS				
		<input checked="" type="checkbox"/> NON-OWNED AUTOS				
		GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
		<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
						AUTO ONLY: AGG \$
A		EXCESS / UMBRELLA LIABILITY	21SBARM5294	01/01/2010	01/01/2011	EACH OCCURRENCE \$ 4,000,000
		<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 4,000,000
		<input type="checkbox"/> DEDUCTIBLE				\$
		<input checked="" type="checkbox"/> RETENTION \$ 10,000				\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER <input type="checkbox"/>
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)				E.L. EACH ACCIDENT \$
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
		OTHER				E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

CERTIFICATE HOLDER

(305) 374-4415
GLSC & COMPANY, PLLC
 6303 BLUE LAGOON DRIVE
 SUITE 200
 MIAMI, FL 33126

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE
 Daniel Saunders/DANNY

ACORD 25 (2009/01)
 INS025 (200901)

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APPENDIX A

QUALIFIER WARRANTIES

- A. Qualifier warrants that it is willing and able to comply with State of Florida laws with respect to foreign (non-state of Florida) corporations.
- B. Qualifier warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Qualifier warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.
- D. Qualifier warrants that all information provided by it in connection with this qualification is true and accurate.

Signature of Official: Pablo Llerena

Name (typed): PABLO LLERENA

Title: PARTNER

Firm: GLSC & COMPANY, PLLC

Date: JANUARY 18, 2010

APPENDIX B

SWORN STATEMENT ON PUBLIC ENTITY CRIMES
SECTION 287.133, FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Lauderdale-By-The-Sea

By PABLO LLERENA, CPA
[print individual's name and title]

For GLSC & COMPANY, CPA
[print name of entity submitting sworn statement]

whose business address is

6303 BLUE LAGOON DRIVE, SUITE 200
MIAMI, FL 33126

and (if applicable) its Federal Employer Identification Number (FEIN) is 20-3157326

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____).

2. I understand that a "public entity crime" as defined in Paragraph 287.133(l)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or the United States, including, but not limited to, any bid or contract for goods and services to be provided to any public entity or an agency or political subdivision of any other state or of the United States involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(l)(b), Florida Statutes, means a finding of guilt or a conviction or a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand than an "affiliate" as defined in Paragraph 287.133(l)(a), Florida Statutes, means:
- a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents

who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an entity.
6. Based on information and belief, the statement that I have marked below is true in relation to the entity submitting this sworn statement. [Indicate which statement applies.]

 X Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list, [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signed, sealed and delivered
in the presence of:

Gregene Wan
[Signature]

AUDITOR

By: Pablo Llerena

PABLO LLERENA, CPA
(Printed Name)

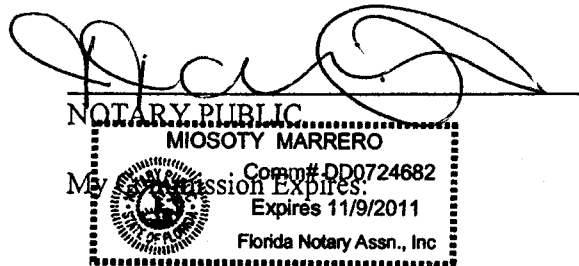
PARTNER
(Title)

Witness my hand and official notary seal/stamp at MIAMI, FLORIDA the day
and year written above.

STATE OF FLORIDA)
)SS:
COUNTY OF MIAMI-DADE)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments,
personally appeared Pablo Llerena as Partner
of GLSC and Company PLLC, an organization authorized to do business in the State of
Florida, and acknowledged executing the foregoing Affidavit as the proper official of for the use and
purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the
instrument is the act and deed of that corporation. He / She is personally known to me or has produced
_____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County
aforesaid on this 18th day of January, 2010.



APPENDIX C

NON-COLLUSION AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is PABLO LLERENA of GLSC & COMPANY, PLLC, the Qualifier that has submitted the attached Qualification;
2. He / She is fully informed respecting the preparation and contents of the attached Qualification and of all pertinent circumstances respecting such Qualification;
3. Such Qualification is genuine and is not a collusive or sham Qualification;
4. Neither said Qualifier nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Qualifier, firm or person to submit a collusive or sham qualification in connection with the Agreement for which the attached Qualification has been submitted or to refrain from qualifying in connection with such Agreement, or has in any manner, directly or indirectly, sought by agreement of collusion or communication of conference with any other Qualifier, firm, or person to fix the price or prices, or of any other Qualifier, or to fix any overhead, profit or cost element of the qualification or the response of any other Qualifier, or to secure through any collusion, connivance, or unlawful agreement any advantage against Lauderdale-By-The-Sea, Florida, or any person interested in the qualified Agreement; and

[THIS SPACE INTENTIONALLY LEFT BLANK]

5. The response to the attached RFQ is fair and proper and is not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Qualifier or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

Pablo Llerena
Signature (Blue ink only)

PABLO LLERENA
Print Name

PARTNER
Title


JANUARY 18, 2010
Date

Witness my hand and official notary seal/stamp at MIAMI, Florida the day and year written above.

STATE OF FLORIDA)
)SS:
COUNTY OF MIAMI-DADE)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Pablo Llerena as Partner, of GLSC & Company PLLC, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of _____ for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 18th day of January, 2010..

 MIOSOTY MARRERO
Comm# DD0724682
Expires 11/9/2011
NOTARY PUBLIC
Florida Notary Assn., Inc.
My Commission Expires: _____

APPENDIX D

ACKNOWLEDGMENT OF ADDENDA

The Qualifier hereby acknowledges the receipt of the following addenda issued by the Town and incorporated into and made part of this RFQ. In the event the Qualifier fails to include any such addenda in the table below, submission of this form shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her.

ADDENDUM NUMBER	DATE RECEIVED	PRINT NAME	TITLE	SIGNATURE (BLUE INK ONLY)
		NONE		

[THIS SPACE INTENTIONALLY LEFT BLANK]

APPENDIX E

INDEPENDENCE AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is PABLO LLERENA of GLSC & COMPANY, PLLC, the Qualifier that has submitted the attached Qualification;
2. (a) Below is a list and description of any relationships, professional, financial or otherwise that Qualifier may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years.

(b) Additionally, the Qualifier agrees and understands that Qualifier shall give the Town written notice of any other relationships professional, financial or otherwise that Qualifier enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of this Agreement.

(If paragraph 2(a) above does not apply, please indicate by stating, "not applicable" in the space below.)

NOT APPLICABLE

[THIS SPACE INTENTIONALLY LEFT BLANK]

6. I have attached an additional page to this form explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in the RFQ.

NOT APPLICABLE

Pablo Llerena
Signature (Blue ink only)

PABLO LLERENA
Print Name

PARTNER
Title

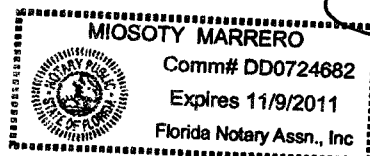
JANUARY 18, 2010
Date

Witness my hand and official notary seal/stamp at Miami, Florida the day and year written above

STATE OF FLORIDA)
)SS:
COUNTY OF Miami-Dade)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared Pablo Llerena as Partner, of GLSC + COMPANY PLLC, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of _____ for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He/ She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 18th day of January, 2010.



[Signature]
NOTARY PUBLIC

My Commission Expires:

Keefe, McCullough & Co., LLP

KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

PROPOSAL FOR AUDITING SERVICES
FOR

TOWN OF LAUDERDALE
BY-THE-SEA, FLORIDA

SUBMITTED ON JANUARY 19, 2010

KEEFE, MCCULLOUGH & CO., LLP, C.P.A.'S
6550 NORTH FEDERAL HIGHWAY
SUITE 410
FT. LAUDERDALE, FLORIDA 33308
954-771-0896

FIRM CONTACT PERSONS:
William G. Benson, C.P.A., Partner
Cynthia L. Calvert, C.P.A., Partner

KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

PROPOSAL FOR AUDITING SERVICES

FOR

TOWN OF LAUDERDALE
BY-THE-SEA, FLORIDA

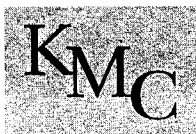
TABLE OF CONTENTS

SECTION

Transmittal Letter	I
Detailed Qualification	II
Audit Team Member Profiles	III
Peer Review Documents	IV
Addenda	V

**KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS**

TRANSMITTAL LETTER



KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

JOHN R. KEEFE, C.P.A.
STEVEN H. WOODS, C.P.A.
DAVID T. WILLIAMS, C.P.A.
JOSEPH D. LEO, C.P.A.
WILLIAM G. RENSON, C.P.A.
KENNETH G. SMITH, C.P.A.
LOUIS R. PROIETTO, C.P.A.

CYNTHIA L. CALVERT, C.P.A.
ISRAEL J. GOMEZ, C.P.A.
JOHN E. McCULLOUGH, C.P.A. (RETIRED)
THOMAS T. CARPENTER, C.P.A. (RETIRED)
PAUL B. SNEIDER, C.P.A. (RETIRED)
BRIAN D. PINNELL, C.P.A. (RETIRED)

JAMES R. LARAWAY, C.P.A.
HILLARY B. DAIGLE, C.P.A.

ROSS S. GOTTHOFFER, C.P.A.

6550 NORTH FEDERAL HIGHWAY
SUITE 410
FORT LAUDERDALE, FLORIDA 33308
(954) 771-0896
FAX: (954) 938-9353
E-MAIL: kmc@kmccpa.com

January 19, 2010

Honorable Mayor, Town Manager and
Members of the Town Commission
Town of Lauderdale-by-the-Sea, Florida
4501 Ocean Drive
Lauderdale-By-The-Sea, Florida 33308

Dear Mayor, Town Manager and Town Commission Members:

We are pleased to propose to perform auditing services for the Town of Lauderdale-By-The-Sea, Florida (the "Town"). It is our understanding that our proposal covers the annual financial and compliance audit of the various funds and account groups of the Town and the Volunteer Firefighters Pension Plan for the fiscal year ending September 30, 2010, with the option of auditing its financial statements for each of the four subsequent fiscal years. In addition, we shall prepare with the assistance of the Finance Director the Town's Comprehensive Annual Financial Report (CAFR) to the Government Finance Officers Association and the State of Florida, Annual Local Government Financial Report.

Our examination of the Town's financial statements will be conducted in accordance with:

1. Generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants (AICPA);
2. The government auditing standards set forth in the U.S. General Accounting Office's Government Auditing Standards;
3. The rules and requirements established by the Auditor General of the State of Florida for form and content of audits;
4. The provisions of the Federal Single Audit Act of 1984;
5. The Florida Single Audit Act;
6. The provisions of the U.S. Office of Management and Budget (OMB) Circular A-133 and any applicable amendments Section 11.45, Florida Statutes;
7. State of Florida Department of Banking and Finance regulations;
8. Any other applicable Federal, State and local laws or regulations.

Keefe, McCullough & Co., LLP, C.P.A.'s is committed to performing the auditing services within the prescribed time frame as outlined in the Town's RFQ number 09-12-02.

The following individuals are authorized to make representations for the firm:

William G. Benson, C.P.A., Partner
Cynthia L. Calvert, C.P.A., Partner

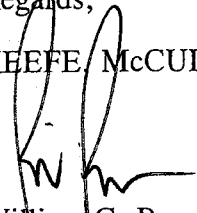
Keefe, McCullough & Co., LLP, C.P.A.'s
6550 North Federal Highway, Suite 410
Ft. Lauderdale, Florida 33308
954-771-0896


We believe our firm to be best qualified to perform your audit engagement based on substantial governmental experience obtained over the entire period of our firm's existence, our firm's commitment to continue to provide the necessary continuing professional education to qualify all of our professional accounting staff in this specialized area, our absolute dedication to excellence and quality in our practice and our unique service philosophy which has created a dedicated and satisfied clientele over many years.

We hereby attest to our authority to submit this proposal and to individually bind Keefe, McCullough & Co., LLP, C.P.A.'s to perform this audit in accordance with the resulting contract agreement should the firm be selected. This proposal is a firm and irrevocable offer for ninety (90) days from the date of the proposal.

Regards,

KEEFE, McCULLOUGH & CO., LLP


William G. Benson, C.P.A.


Cynthia L. Calvert, C.P.A.

**KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS**

DETAILED QUALIFICATION

DETAILED QUALIFICATION

1. License to Practice in Florida.

An affirmative statement should be included, indicating that the firm and all assigned supervisory professional staff are properly licensed to practice in Florida and qualified to perform governmental audits.

Keefe, McCullough & Co., LLP, is properly licensed in the State of Florida by the Department of Professional Regulation. Our license number is AD 0010282. Further, all members of the firm that are designated as Certified Public Accountants are properly licensed in the State of Florida. All personnel assigned to the City of Marathon are qualified to perform governmental audits.

2. Independence.

The Qualifier should provide an affirmative statement that it meets all the appropriate guidelines and criteria for independence from the Town. On the form provided as Appendix E to this RFQ, the Qualifier shall list, and describe, any relationships - professional, financial or other wise - that it may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years, together with a statement explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in this RFQ. Additionally, the Qualifier shall give the Town written notice of any other relationships - professional, financial or otherwise - that it enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of the Agreement.

We meet all the appropriate guidelines and criteria for independence from the Town. We have included Appendix E in Section V.

3. Firm Qualifications and Experience.

The qualification shall state the size of the firm's governmental staff, the location of the office from which the work on this engagement is to be performed and the number and level of the professional staff to be employed in this engagement on a full-time basis and the number and nature of the staff to be so employed on a part-time basis.

Our governmental audit staff consists of thirty-five professionals. The work for this engagement will be performed from our office located at 6550 North Federal Highway, Suite 410, Fort Lauderdale, Florida 33308.

The number and level of full-time and part-time staff to be assigned to the engagements would be discussed and approved by client finance personnel. We have listed additional information regarding a proposed staffing plan in Section III.

Each firm is also required to submit a copy of the report on its most recent external/quality control review, with a statement whether that quality control review included a review of specific governmental engagements.

Our firm participates in the American Institute of Certified Public Accountants Peer Review Program and we have received unmodified opinions on all of our previous peer reviews. We have provided the most recent quality control review documentation for your reference in Section IV. This quality control review included a specific review of the City of Dania Beach audit workpapers, financial statements and reports.

DETAILED QUALIFICATION

3. Firm Qualifications and Experience. (continued)

The firm shall also provide information on the results of any federal or state desk reviews or field reviews of its audits during the past three (3) years. In addition, the firm shall provide information on the circumstances and status of any disciplinary action taken or pending against the firm during the past three (3) years with state regulatory bodies or professional organizations. The firm shall provide an explanation of all pending, local office litigation as well as all litigation related to the firm's audits of State or Local Government entities.

Because our firm performs a substantial number of "Yellow Book" type engagements, we routinely receive desk reviews from various State of Florida departments (DCF, FDOT or DOEA). We have had no field reviews during the last three years, and we are not aware of any disciplinary action ever taken or now pending against our firm or any of our professional accounting staff.

There is no pending local office litigation nor has there ever been any litigation related to the firm's audits of State or Local Government entities.

4. Partner, Supervisory and Staff Qualifications and Experience.

The firm should identify the principal supervisory and management staff, including engagement partners, managers, other supervisors, and specialists who would be assigned to the engagement and indicate whether each such person is licensed to practice as a certified public accountant in Florida. The firm also should provide information on the number of years performing government audits as well as the auditing experience of each person, including information on relevant continuing professional education for the past two (4) years and membership in professional organizations relevant to the performance of this audit.

Our proposed audit team is comprised of the following principal supervisory and management staff:

William G. Benson, C.P.A.	Engagement Partner
Cynthia L. Calvert, C.P.A.	Second Review Partner

A profile of each audit team member is included in Section III, which lists specific governmental experience, qualifications and continuing professional education.

The firm should provide as much information as possible regarding the number, qualifications, experience and training, including relevant continuing professional education, of the specific staff to be assigned to this engagement. The firm also shall indicate how the quality of staff over the term of the agreement will be assured.

Due to our firm's concentration of governmental and not-for-profit clients, we sponsor continuing professional education courses annually regarding a variety of governmental subjects, including Governmental Accounting Standards Board (GASB) pronouncements. One eight-hour governmental seminar is offered to our governmental clients. In addition, our entire professional governmental accounting staff takes over forty (40) hours of "governmental qualified" continuing education courses every year.

We have substantial experience in the areas of internal control and compliance auditing in accordance with "Government Auditing Standards" ("The Yellow Book"), Federal Single Audits in accordance with OMB Circular A-133 "Audits of States, Local Governments, and Non-Profit Organizations," the Florida Single Audit Act, and the Rules of the Auditor General of the State of Florida. Due to the concentration of this type of work in our practice, we provide each of our Governmental and non-profit accounting staff members with at least eighty hours of continuing professional education every two years. In addition, the firm belongs to the AICPA, FICPA, AICPA Governmental Audit Quality Center, the Government Finance Officers Association and the Broward County League of Cities.

DETAILED QUALIFICATION

4. Partner, Supervisory and Staff Qualifications and Experience. (continued)

Engagement partners, managers, other supervisory staff and specialists may be changed is those personnel leave the firm, are promoted or are assigned to another office. These personnel may also be changed for other reasons with the express prior written permission of the Town. However, in either case, the Town retains the right to approve or reject replacements.

We have experienced very low turnover of our professional accounting staff members and our firm philosophy emphasizes direct partner involvement in each engagement including various phases of the audit fieldwork and review processes. We believe this partner involvement positively impacts engagement staff continuity. We will communicate with Town finance personnel in the event of staff turnover and promptly identify a mutually agreeable and governmentally qualified replacement team member. However, we understand that the Town retains the right to approve or reject replacements.

Consultants and firm specialists mentioned in response to this Request for Qualifications can only be changed with the express prior written permission of the Town, which retains the right to approve or reject replacements.

We understand that the consultants and firm specialists mentioned in this request for proposal may only be changed with the express prior written permission of the City.

Other audit personnel may be changed at the discretion of the Qualifier provided that replacements have substantially the same or better qualifications or experience.

We understand that other audit personnel mentioned in this request for proposal may only be changed with the express prior written permission of the City.

5. Similar Engagements with other Governmental Entities.

For the firm's office that will be assigned responsibility for the audit, list a minimum of five Florida municipal audit engagements performed in the last three years and include the name and phone number of the customer point of contact for each audit engagement.

The following is a list of current municipalities for which we have provided auditing services for the last three years:

- * Ms. Nicki Satterfield, Assistance Finance Director
City of Dania Beach
100 West Dania Beach Boulevard
Dania, FL 33001
954-924-3672

- * Mr. Roger Wittenberg, Finance Director
City of Key West
P.O. Box 1409
Key West, FL 33040
305-809-3700

- * Mr. John Lavisky, City Administrator
City of Lighthouse Point
2200 N.E. 38th Street
Lighthouse Point, FL 33064
954-943-6500

Mr. Sal Pagliara, Finance
City of Parkland
6600 University Drive
Parkland, FL 33067
954-753-5040

DETAILED QUALIFICATION

5. Similar Engagements with other Governmental Entities. (continued)

Mr. Herbert Herriman, Finance Director
City of Plantation
400 N.W. 73rd Avenue
Plantation, FL 33317
954-797-2202

* Mr. David Keller
City of Weston
2500 Weston Road, Suite 101
Weston, FL 33331
954-385-2000

* Ms. Cindy Lawson, Finance Director
Islamorada, Village of Islands
P.O. Box 568
Islamorada, FL 33036
305-664-2345

Ms. Maria Camacho, Finance Director
Town of Golden Beach
One Golden Beach Drive
Golden Beach, FL 33160
305-932-0744

* Ms. Georgina Rodriguez, Finance Director
Town of Pembroke Park
3150 S.W. 52nd Avenue
Pembroke Park, FL 33023
954-966-4600

* Mr. Christopher J. Russo, Town Administrator
Town of Southwest Ranches
6589 S.W. 160th Avenue
Southwest Ranches, FL 33331
954-434-0008

* Mr. Gary S. Clinton, CPA, CPFO, Finance Director
Village of Pinecrest
12645 Pinecrest Parkway
Pinecrest, FL 33156-5931
305-234-2121

Ms. Denise Bryan, Mayor
Village of Sea Ranch Lakes
One Gatehouse Road
Sea Ranch Lakes, FL 33308
954-943-8862

- * These municipalities submit their financial statements for the Certificate of Achievement in Financial Reporting and receive the certificate each year. The other three municipalities listed choose not to participate in the program.

Our firm was recently appointed auditors for the City of Coconut Creek, Florida for the September 2009 fiscal year.

Our firm also presently serves as independent auditors for over 200 other entities (special taxing districts, not-for-profit organizations, community development districts, schools and other entities).

DETAILED QUALIFICATION

6. Specific Audit Approach

The proposal should set forth a work plan, including an explanation of the audit methodology to be followed, to perform the services required in Section II of this Request for Qualifications. In developing the work plan, reference should be made to such sources of information as the Town's budget and related materials, organization charts, manuals and programs, and financial and other management information systems.

Proposers will be required to provide the following information on the audit approach:

- a. Qualified segmentation of the engagement.
- b. Level of staff to be assigned to each qualified segment of the engagement.
- c. Type and extent of analytical procedures to be used in the engagement.
- d. Approach to be taken to gain and document an understanding of the Town's internal control structure.
- e. Approach to be taken in determining laws and regulations that will be subject to audit test work.
- f. Approach to be taken in drawing audit samples for purposes of tests of compliance.

Engagement work plan:

In performing the financial and compliance audits for the Town, we will follow a very detailed and comprehensive audit program. Further, it is our policy to utilize the talents of our client's personnel wherever and whenever it is feasible to do so in the course of any engagement in order to most efficiently perform the engagement. The following is a summary of the audit work plan:

Preliminary Work:

Audit Area

Responsible Professional

Obtain an understanding and document the Town's accounting and management systems and the related internal controls. This will be accomplished through conferences with key finance and department personnel as well as transaction observation.

Field Leader

Obtain an understanding of the various funds utilized by the Town.

Field Leader

Review the Town's grants, contracts and various revenue sources and complete "Single Audit" checklist for determination of compliance audit requirements and reporting requirements for both Federal and state guidelines.

Field Leader

Review of bond covenants and pertinent ordinances for determination of compliance audit requirements.

Partner
Field Leader

Assess control risk and determine extent of testing.

Partner

Review and perform certain transaction and procedural tests which will include the examination of source documents. These tests of the system will include cash receipts, and both payroll and operating disbursements. Additionally, control testing relating to the Town's Federal and state programs will be performed as necessary.

Staff Accountant

Perform preliminary analytical review procedures, incorporating the Town's adopted budget.

Field Leader

DETAILED QUALIFICATION

6. Specific Audit Approach (continued)

	<u>Responsible Professional</u>
Review commission and other pertinent minutes.	Field Leader
Perform compliance audit procedures for Federal and state single audits.	Field Leader Staff Accountant
Coordinate preparation of confirmation requests.	Staff Accountant
Perform various tests and validation procedures on selected asset and liability accounts in all funds.	Field Leader Staff Accountant
Examine certain revenue and expenditure accounts in all funds.	Field Leader Staff Accountant
Send confirmations where applicable.	Staff Accountant
Send correspondence to attorneys as necessary.	Staff Accountant
Perform final compliance testing as necessary.	Staff Accountant
Perform final analytical procedures.	Field Leader
Working paper review and proposed journal entry approval.	Partner
Exit conference with the Director of Finance.	Partner

Sample sizes in the various phases of the engagement would be determined based on population sizes, audit objectives and nature of transaction and/or account. We have standardized checklists and software that assists in the selection of samples. Additionally, we would utilize both "statistical" and "non-statistical" methods to select certain test transactions.

We will also utilize various forms of analytical procedures to accomplish certain objectives. We anticipate areas of concentration subject to analytical procedures to be service revenues and expenditures. We retain the right to use judgement as to the extent of analytical procedures to be used based mainly on results of other testing completed.

In addition, we utilize personal computers and certain audit software, where applicable, in connection with our audit workpaper documentation.

Reports:

	<u>Responsible Professional</u>
Preparation of Report on the Basic Financial Statements.	Field Leader
Preparation of Reports on Internal Controls over Financial Reporting and on Compliance and Other Matters.	Field Leader
Preparation of Schedules of Federal and State Financial Assistance and preparation of Report on Compliance with Requirements Applicable to Each Major Federal Program and State Project.	Field Leader

DETAILED QUALIFICATION

6. Specific Audit Approach (continued)

	<u>Responsible Professional</u>
Preparation of the management letter.	Partner Field Leader
Review of the financial statements and other information.	Partner
Cold review of the financial statements and other information.	Partner

Due to the fact that our firm presently represents numerous local municipalities and many governmental taxing districts, we have substantial experience in providing other consulting services to the Town. We have experience in franchise fee auditing, audit work in connection with bond underwriting and also internal consulting projects which the Town may consider.

8. Identification of Anticipated Potential Audit Problems

The qualification should identify and describe any anticipated potential audit problems, the firm's approach to resolving these problems and any special assistance that will be requested from the Town staff.

At this time we are not aware of any potential audit problem areas. If selected, we will communicate any potential problem areas we become aware of during the audit. At that time, we would outline our approach to resolving such problem areas and the level of assistance necessary from the Town's personnel.

**KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS**

AUDIT TEAM MEMBER PROFILES

KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

SERVICE TEAM MEMBER PROFILE



William G. Benson, C.P.A.
Partner

Education

Washington and Lee University

BS degree

Major - accounting

Career Experience

Keefe, McCullough & Co., LLP, C.P.A.'s
Coopers & Lybrand, C.P.A.'s

Partner
Senior

25 years
2 years

Engagement Experience

Keefe, McCullough & Co., LLP, C.P.A.'s

Audit Engagements:

- * Air-Conditioning & Refrigeration Wholesalers
- * Alzheimer's Family Center, Inc.
- * American Eldercare, Inc.
- * Baywinds Community Development District
- * Bobcat Trail Community Development District
- * Bonita Springs Charter School
- * Bonnet Creek Resort Community Development District
- * Boynton Village Community Development District
- * Broward County League of Cities, Inc.
- * Cape Coral Charter School
- * Carnahan, Proctor and Cross, Inc. (DOT overhead audit)
- * Caroch Properties
- * Center for Family and Child Enrichment, Inc.
- * Championsgate Community Development District
- * Charter Schools USA, Inc.
- * Charter Schools USA 401(k) Plan
- * City of Key West, Florida
- * City of Marathon, Florida
- * City of Margate, Florida
- * City of Plantation, Florida
- * City of Weston, Florida
- * Colonial Inn at Heritage Park, LLP
- * Community Asphalt Corp.
- * Community Foundation of Broward, Inc.
- * Coral Springs Improvement District
- * DHL Aero Expreso, S.A.
- * Deer Island Community Development District
- * Downtown Development Authority
- * The Downtown Miami Charter School, Inc.
- * Driftwood Beach Club Association, Inc.
- * East Homestead Community Development District
- * Falls at Marina Bay, Ltd.
- * Fiddler's Creek II Community Development District
- * First Presbyterian Continuing Church of Coral Springs, Inc.
- * Fogmaster Consolidated, Inc. and Subsidiaries
- * Fort Lauderdale Country Club
- * Gateway Charter High School
- * Gateway Charter School
- * HBC, Inc. (Hillsboro Bay Club Apartments)
- * Habitat Community Development District
- * Hamal Community Development District
- * Henderson Mental Health Center, Inc.
- * Heritage Home Health, Inc.
- * Heritage Park, LLLP

- * Heritage Park, LLLP 401(k) Salary Reduction Plan and Trust
- * Heritage Park of West Delray, LLLP
- * Heritage Park Retirement Communities, LLC
- * Hillsboro Inlet District
- * Hollywood Academy of Arts & Science
- * The Homestead Charter Foundation, Inc.
- * Islamorada, Village of Islands, Florida
- * Junior Achievement of South Florida, Inc.
- * Key Largo Fire Rescue and EMS District
- * Lake Powell Community Development District
- * Landmark at Doral Community Development District
- * Lewis Marine Supply, Inc. Profit Sharing Plan
- * Lexington Oaks Community Development District
- * Liberty Inn, LLC
- * Meadow Pointe Community Development District
- * Mediterra North Community Development District
- * Mediterra South Community Development District
- * Midtown Miami Community Development District
- * Miromar Lakes Community Development District
- * Monterra Community Development District
- * Narcoossee Community Development District
- * New River Cabinet and Fixture Holdings, Inc.
- * New River Cabinet and Fixture, Inc.
- * New River Corporate Holdings, Inc.
- * North Broward Academy of Excellence
- * North County Charter School
- * North Pompano Baptist Church Holding Company, Inc.
- * Northeast Academy
- * Northwood Community Development District
- * Oakwood Center of the Palm Beaches, Inc.
- * Old Palm Community Development District
- * Orchid Grove Community Development District
- * Palm Bay Community Development District
- * Palm Glades Community Development District
- * Park Place Community Development District
- * Parklands West Community Development District
- * Petmed Express, Inc.
- * Pine Air Lakes Community Development District
- * Plantation Acres Improvement District
- * Plaza South Association, Inc.
- * Regency Tower Association, Inc.
- * Remington Community Development District
- * Renaissance Charter School, Inc.
- * Renaissance Community Development District
- * Reserve Community Development District
- * Retirement Plan for Employees of Oakwood Center of the Palm Beaches, Inc.
- * River's Song Community Development District
- * Sarasota National Community Development District
- * South County Foundation for Mental Health, Inc.
- * South County Mental Health Center, Inc.
- * South Dade Venture Community Development District
- * Southern Specialties, Inc.
- * Southern Specialties, Inc. 401(k) Plan
- * Stevens Plantation Community Development District
- * Stonegate Community Development District
- * StoneLake Ranch Community Development District
- * The Town Foundation, Inc.
- * Treaty Oaks Community Development District
- * University Square Community Development District
- * Verandah West Community Development District
- * Viera East Community Development District
- * VillaSol Community Development District
- * Village of Pinecrest, Florida
- * Vizcaya Community Development District
- * W. Jackson & Sons Construction Co.
- * Westwind Contracting, Inc.
- * Woodland Hammock Community Development District

Other Experience

Attended seminars and courses dealing with accounting and audit problems, reporting and disclosure issues (these courses include accounting and reporting for nonprofit organizations, governmental entities

and the Federal and Florida Single Audit Acts)

Experienced and qualified with respect to "Yellow Book", OMB Circular A-133 and Rules of the Auditor General of the State of Florida compliance auditing and reporting

Attended numerous seminars and courses dealing with accounting, auditing and taxation of employee benefit plans

Litigation support services in the areas of business valuations, business losses, contract settlements and divorce issues

Experience in dealing directly with the State of Florida Department of Children and Families concerning various compliance, audit and other issues

Special consulting partner regarding due diligence engagements and the acquisition of companies

Worked with underwriters regarding various certifications required in connection with the Florida Community Provider Pooled Loan Program and various bond issuances

Assisted clients with restructuring their existing loan agreements and bond indentures

Partner in charge of special audit procedures engagement of a Emergency Medical Services Company

Special consultant to Seventeen City Coalition (a Partnership of seventeen Broward municipalities) regarding special audit procedures of Broward County's Emergency Medical System records and negotiations with Broward County management

Extensive experience regarding accounting and tax issues of Limited Liability Companies (LLC's)

Experience in the development of annual operating budgets for churches and schools

Consulting partner on State of Florida Broward County Health Department audit

Experience in assisting clients in dealings with financial institutions

Experience in assisting clients with the development of business plans, financial planning and proforma financial statements

Consulting assistance in the analysis of potential investment opportunities in a variety of industries. The analysis included due diligence procedures on both historical financial information and projected future financial results

Assistance in the planning for Family Limited Partnerships and other estate planning strategies

Consulting assistance to a court appointed reviewer regarding dispute among stockholders of various companies

Community Involvement

Past President and Treasurer of the Executives of Broward

Graduate of, and continuing involvement in, the Leadership Broward Program

Member of the Leadership Broward Foundation, Inc.

Member and Officer in Knights of Columbus

Appointed to the Broward County, Florida Homeless Initiative Partnership

Past Treasurer of St. Gregory the Great Catholic School

Member of St. Gregory the Great Catholic School Advisory Board

Member of the Finance Council of the Archdiocese of Miami

Vice-President of the Board of Directors of St. Thomas Aquinas High School

Member of the Board of Directors of Food for the Poor

KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS

SERVICE TEAM MEMBER PROFILE



Cynthia L. Calvert, C.P.A.
Partner

Education

Florida Atlantic University
Auburn University

BBA degree
BA degree

Major - accounting
Major - political science

Career Experience

Keefe, McCullough & Co., LLP, C.P.A.'s

Partner

15 years

Engagement Experience

Keefe, McCullough & Co., LLP, C.P.A.'s

Audit Engagements:

- * Achievement and Rehabilitation Centers
- * Amelia National Community Development District
- * American Red Cross of Greater Miami and the Keys
- * Arbor Greene Community Development District
- * Assistance Unlimited, Inc.
- * Baywinds Community Development District
- * Beaux Arts of Museum of Art, Inc.
- * The Benjamin Private School, Inc.
- * Big Brothers / Big Sisters Association of Florida, Inc.
- * Big Brothers / Big Sisters of Broward, Inc.
- * Bobcat Trail Community Development District
- * Bonita Springs Charter School
- * Bonnet Creek Resort Community Development District
- * Boynton Village Community Development District
- * Briger Community Development District
- * Broward Adjustment Services, Inc.
- * Broward County Chapter - American National Red Cross
- * Broward County League of Cities, Inc.
- * Broward House, Inc.
- * Broward Risk Management Association
- * Cape Coral Charter School
- * Caroch Properties
- * Center for Independent Living of Broward, Inc.
- * Central and South American World Sector, Inc.
- * Championsgate Community Development District
- * Child Protection Team of Palm Beach, Inc.
- * Children's Service Council of Broward County
- * Children's Service Council of Palm Beach County
- * City of Aventura, Florida
- * City of Aventura Police Officers Retirement Plan
- * City of Coconut Creek, Florida
- * City of Dania Beach, Florida
- * City of Key West, Florida
- * City of Marathon, Florida
- * City of Margate, Florida
- * City of Parkland, Florida
- * City of Plantation, Florida
- * City of Weston, Florida
- * City of Wilton Manors, Florida
- * The Clinton Mortgage Network, Inc.
- * Colonial Inn at Heritage Park, LLLP
- * Community Television Foundation of South Florida, Inc.
- * Community Television Foundation of South Florida, Inc. Money Purchase Thrift Plan
- * Community Television Foundation of South Florida, Inc. Retirement Plan

- * Coral Springs Charter School
- * Coral Springs Improvement District
- * Daily Bread Food Bank, Inc.
- * Deer Island Community Development District
- * Downtown Development Authority
- * East Homestead Community Development District
- * Episcopal Church of St. Mark the Evangelist
- * Elizabeth H. Faulk Foundation, Inc.
- * Fiddler's Creek II Community Development District
- * Firefighters Charitable Foundation, Inc.
- * Florida Atlantic University Foundation, Inc.
- * Florida International Academy, Inc.
- * Fogmaster Consolidated, Inc.
- * Gateway Charter High School
- * Gateway Charter School
- * Habitat Community Development District
- * Habitat for Humanity of Palm Beach County
- * Hamal Community Development District
- * Harbourage on Braden River Community Development District
- * The Haven, Inc.
- * Heritage Greens Community Development District
- * Heritage Harbour South Community Development District
- * Heritage Home Health, Inc.
- * Heritage Park, LLLP 401(k) Salary Reduction Plan and Trust
- * Heritage Park, LLLP
- * Heritage Park of West Delray, LLLP
- * Hugs for Kids
- * Islamorada, Village of Islands, Florida
- * Julington Creek Plantation Development District
- * Jupiter Marine International, Inc.
- * Keith and Schnars, P.A. (Overhead audit)
- * Key Largo Fire Rescue and EMS District
- * Killarney Community Development District
- * Lake Powell Community Development District
- * Lakewood Ranch Community Development District
- * Landmark at Doral Community Development District
- * Lexington Oaks Community Development District
- * Margate Community Redevelopment Agency
- * Meadow Pines Community Development District
- * Meadow Pointe Community Development District
- * Mediterra North Community Development District
- * Mediterra South Community Development District
- * Messianique Training Center & Institute, Inc.
- * Midtown Miami Community Development District
- * Miromar Lakes Community Development District
- * Mitigating Circumstances SKS Contractors, Inc.
- * Monterra Community Development District
- * Narcoossee Community Development District
- * North Broward Academy of Excellence
- * Northwest Focal Point Senior Center
- * Northwood Community Development District
- * OCO Partnership, Inc.
- * Oakwood Center of the Palm Beaches, Inc.
- * Old Palm Community Development District
- * Orchid Grove Community Development District
- * Osprey Health Care, Inc.
- * PPGM Foundation, Inc.
- * Palm Bay Community Charter School
- * Palm Bay Community Development District
- * Palm Glades Community Development District
- * The Pantry of Broward, Inc.
- * Parklands West Community Development District
- * Pine Air Lakes Community Development District
- * Pine Crest Preparatory School, Inc.
- * Place of Hope Foundation, Inc.
- * Place of Hope Holdings, Inc.
- * Place of Hope, Inc.
- * Planned Parenthood of Greater Miami & Florida Keys, Inc.
- * Plantation Acres Improvement District
- * Plaza South Association, Inc.
- * Remington Community Development District
- * Renaissance Charter School

- * Renaissance Community Development District
- * River's Song Community Development District
- * SKS Engineering & Planning, Inc.
- * SOS Children's Village of Florida, Inc.
- * St. Mark's Episcopal School
- * Sarasota National Community Development District
- * Saxon Business Systems, Inc.
- * Saxon Business Systems of North Florida, Inc.
- * Security Mortgage Group, Inc.
- * Severn Trent Services
- * South County Foundation for Mental Health, Inc.
- * South County Mental Health Center, Inc.
- * South Dade Venture Community Development District
- * Southeast Mechanical Contractors, Ltd.
- * The South Florida Church of Christ, Inc.
- * Spicewood Community Development District
- * Stevens Plantation Community Development District
- * Stonegate Community Development District
- * StoneLake Ranch Community Development District
- * Sunburst Sanitation Corporation (Franchise audit)
- * Tomoka Community Development District
- * The Town Foundation, Inc.
- * Town of Golden Beach, Florida
- * Town of Pembroke Park, Florida
- * Town of Southwest Ranches, Florida
- * University Square Community Development District
- * Verandah West Community Development District
- * Viera East Community Development District
- * Village of Pinecrest, Florida
- * Village of Sea Ranch Lakes, Florida
- * VillaSol Community Development District
- * Vizcaya Community Development District
- * WPBT Communication Foundation, Inc.
- * Westchase Community Development District
- * Westchase East Community Development District
- * Westwind Contracting, Inc.
- * Woodland Hammock Community Development District
- * YWCA of Palm Beach County, Florida, Inc.

Other Experience

Attended numerous seminars and courses dealing with accounting and audit problems and reporting and disclosure issues (these include accounting and reporting for nonprofit organizations, governmental entities and the Federal and Florida Single Audit Acts)

Experienced and qualified with respect to "Yellow Book," OMB Circular A-133 and Rules of the Auditor General of the State of Florida compliance auditing and reporting

Participant in State of Florida Auditor General seminar for local governments and nonprofits regarding the Florida Single Audit Act

Experience in dealing directly with the State of Florida Department of Children and Families concerning various compliance, audit and other issues

Participated in various seminars and in-house training programs concerning the requirements of GASB-34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments (the Financial Reporting Model)

Assisted municipalities and other governmental entities in planning for and implementing GASB-34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments (the Financial Reporting Model)

Community Involvement

Past President of Plantation Junior Woman's Club

Founding Board member of the Make-A-Wish Foundation of South Florida, Inc.

Past Director of DALI's, auxiliary of Young At Art

Past Director of Friends of Gilda's Club of South Florida

Graduate of, and continuing involvement in, the Leadership Broward Program

Member of the Leadership Broward Foundation, Inc.

Treasurer of Junior League of Ft. Lauderdale

**KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS**

PEER REVIEW DOCUMENTS



Abbott, Jordan & Koon, LLC

CERTIFIED PUBLIC ACCOUNTANTS

To the Owners
Keefe, McCullough & Co., LLP

P.O. Box 609 □ 405 Second Street □ Manchester, GA 31816
(706) 846-8401 □ Fax (706) 846-3370

We have reviewed the system of quality control for the accounting and auditing practice of Keefe, McCullough & Co., LLP (the firm) in effect for the year ended August 31, 2008. A system of quality control encompasses the firm's organizational structure, the policies adopted and procedures established to provide it with reasonable assurance of conforming with professional standards. The elements of quality control are described in the Statements on Quality Control Standards issued by the American Institute of Certified Public Accountants (AICPA). The firm is responsible for designing a system of quality control and complying with it to provide the firm reasonable assurance of conforming with professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance with its system of quality control based on our review.

Our review was conducted in accordance with standards established by the Peer Review Board of the AICPA. During our review, we read required representations from the firm, interviewed firm personnel and obtained an understanding of the nature of the firm's accounting and auditing practice, and the design of the firm's system of quality control sufficient to assess the risks implicit in its practice. Based on our assessments, we selected engagements and administrative files to test for conformity with professional standards and compliance with the firm's system of quality control. The engagements selected represented a reasonable cross-section of the firm's accounting and auditing practice with emphasis on higher-risk engagements. The engagements selected included among others, audits of Employee Benefit Plans and engagements performed under *Government Auditing Standards*. Prior to concluding the review, we reassessed the adequacy of the scope of the peer review procedures and met with firm management to discuss the results of our review. We believe that the procedures we performed provide a reasonable basis for our opinion.

In performing our review, we obtained an understanding of the system of quality control for the firm's accounting and auditing practice. In addition, we tested compliance with the firm's quality control policies and procedures to the extent we considered appropriate. These tests covered the application of the firm's policies and procedures on selected engagements. Our review was based on selected tests therefore it would not necessarily detect all weaknesses in the system of quality control or all instances of noncompliance with it. There are inherent limitations in the effectiveness of any system of quality control and therefore noncompliance with the system of quality control may occur and not be detected. Projection of any evaluation of a system of quality control to future periods is subject to the risk that the system of quality control may become inadequate because of changes in conditions, or because the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the system of quality control for the accounting and auditing practice of Keefe, McCullough & Co., LLP in effect for the year ended August 31, 2008, has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



Manchester, Georgia
October 29, 2008



FICPA Peer Review Program
Administered in Florida by the
Florida Institute of CPAs



AICPA Peer Review Program
Administered in Florida by the
Florida Institute of CPAs

February 26, 2009

Joseph D. Leo, CPA
Keefe, McCullough & Co., LLP
6550 N Federal Hwy., Ste. 410
Fort Lauderdale, FL 33308-1417

Dear Mr. Leo:

It is my pleasure to notify you that on February 26, 2009 the Florida Peer Review Committee accepted the report on the most recent peer review of your firm. The due date for your next review is February 29, 2012. This is the date by which all review documents should be completed and submitted to the administering entity. Since your firm's due date falls between January and April, you may arrange to have your review a few months earlier to avoid having a review during tax season.

As you know, the reviewer's opinion was unmodified. The Committee asked me to convey its congratulations to the firm.

Sincerely,

Paul N. Brown
Peer Review
Director of Technical Services

cc: David C. Jordan, CPA

Firm Number: 10036786

Review Number: 271343

Letter ID: 75470

A I C P A
PEER REVIEW PROGRAM

is proud to present this

Certificate of Recognition

to

KEEFE, MCCULLOUGH & COMPANY, LLP

For having a system of quality control for its accounting and auditing practice in effect for the year ended August 31, 2008 which has been designed to meet the requirements of the quality control standards for an accounting and auditing practice established by the AICPA and which was complied with during the year then ended to provide the firm with reasonable assurance of conforming with professional standards.



A handwritten signature in dark ink, appearing to read "G. William Graham".

G. William Graham, Chair
AICPA Peer Review Board
2008

**KEEFE, McCULLOUGH & CO., LLP
CERTIFIED PUBLIC ACCOUNTANTS**

ADDENDA

APPENDIX A

QUALIFIER WARRANTIES

- A. Qualifier warrants that it is willing and able to comply with State of Florida laws with respect to foreign (non-state of Florida) corporations.
- B. Qualifier warrants that it is willing and able to obtain an errors and omissions insurance policy providing a prudent amount of coverage for the willful or negligent acts, or omissions of any officers, employees or agents thereof.
- C. Qualifier warrants that it will not delegate or subcontract its responsibilities under an agreement without the prior written permission of the Town.
- D. Qualifier warrants that all information provided by it in connection with this qualification is true and accurate.

Signature of Official: _____

William G. Benson, CPA

Name (typed): WILLIAM G. BENSON, C.P.A.

Title: PARTNER

Firm: KEEFE, MCCULLOUGH & CO., LLP

Date: _____

1-15-2010

APPENDIX B

SWORN STATEMENT ON PUBLIC ENTITY CRIMES
SECTION 287.133, FLORIDA STATUTES

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to Lauderdale-By-The-Sea

By WILLIAM G. BENSON, C.P.A., PARTNER
[print individual's name and title]

For KEEFE, MCCULLOUGH & CO., LLP
[print name of entity submitting sworn statement]

whose business address is

6550 NORTH FEDERAL HIGHWAY, SUITE 410

FT. LAUDERDALE, FLORIDA 33308

and (if applicable) its Federal Employer Identification Number (FEIN) is 59-1363792

(If the entity has no FEIN, include the Social Security Number of the individual signing this sworn statement: _____).

2. I understand that a "public entity crime" as defined in Paragraph 287.133(1)(g), Florida Statutes, means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or the United States, including, but not limited to, any bid or contract for goods and services to be provided to any public entity or an agency or political subdivision of any other state or of the United States involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes, means a finding of guilt or a conviction or a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand than an "affiliate" as defined in Paragraph 287.133(1)(a), Florida Statutes, means:
- a. A predecessor or successor of a person convicted of a public entity crime; or
 - b. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents

who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an entity.

6. Based on information and belief, the statement that I have marked below is true in relation to the entity submitting this sworn statement. [Indicate which statement applies.]

 X Neither the entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, nor any affiliate of the entity, has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989.

 The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. However, there has been a subsequent proceeding before a Hearing Officer of the State of Florida, Division of Administrative Hearings and the Final Order entered by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list, [attach a copy of the final order]

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 ABOVE IS FOR THAT PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

Signed, sealed and delivered
in the presence of:

[Signature]
[Signature]

AUDITOR

By:

William G. Benson CPA

WILLIAM G. BENSON, C.P.A.

(Printed Name)

PARTNER

(Title)

Witness my hand and official notary seal/stamp at JANUARY 15, 2010 the day
and year written above.

STATE OF FLORIDA)

)SS:

COUNTY OF BROWARD)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments,
personally appeared WILLIAM G. BENSON, C.P.A. as PARTNER
of KEEFE, MCCULLOUGH & CO., LLP, an organization authorized to do business in the State of
Florida, and acknowledged executing the foregoing Affidavit as the proper official of for the use and
purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the
instrument is the act and deed of that corporation. He / She is personally known to me or has produced
_____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County
aforesaid on this 15TH day of JANUARY, 20 10.

Beth C. Anderton
NOTARY PUBLIC

My Commission Expires: 10/11/13



APPENDIX C

NON-COLLUSION AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is PARTNER of KEEFE, MCCULLOUGH & CO., LLP, the Qualifier that has submitted the attached Qualification;
2. He / She is fully informed respecting the preparation and contents of the attached Qualification and of all pertinent circumstances respecting such Qualification;
3. Such Qualification is genuine and is not a collusive or sham Qualification;
4. Neither said Qualifier nor any of its officers, partners, owners, agents, representatives, employees, or parties in interest, including this affiant, has in any way colluded, connived, or agreed, directly or indirectly, with any other Qualifier, firm or person to submit a collusive or sham qualification in connection with the Agreement for which the attached Qualification has been submitted or to refrain from qualifying in connection with such Agreement, or has in any manner, directly or indirectly, sought by agreement of collusion or communication of conference with any other Qualifier, firm, or person to fix the price or prices, or of any other Qualifier, or to fix any overhead, profit or cost element of the qualification or the response of any other Qualifier, or to secure through any collusion, connivance, or unlawful agreement any advantage against Lauderdale-By-The-Sea, Florida, or any person interested in the qualified Agreement; and

[THIS SPACE INTENTIONALLY LEFT BLANK]

5. The response to the attached RFQ is fair and proper and is not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the Qualifier or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

William G. Benson CPA
Signature (Blue ink only)

WILLIAM G. BENSON, C.P.A.
Print Name

PARTNER
Title

1.15.2010
Date

Witness my hand and official notary seal/stamp at JANUARY 15, 2010 the day and year written above.

STATE OF FLORIDA)
)SS:
COUNTY OF BROWARD)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared WILLIAM G. BENSON, C.P.A. as PARTNER, of KEEFE, MCCULLOUGH & CO., LLP, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of KEEFE, MCCULLOUGH & CO., LLP for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 15TH day of JANUARY, 20 10.

Beth C. Anderton
NOTARY PUBLIC

My Commission Expires: 10/1/13



APPENDIX D

ACKNOWLEDGMENT OF ADDENDA

The Qualifier hereby acknowledges the receipt of the following addenda issued by the Town and incorporated into and made part of this RFQ. In the event the Qualifier fails to include any such addenda in the table below, submission of this form shall constitute acknowledgment of receipt of all addenda, whether or not received by him/her.

ADDENDUM NUMBER	DATE RECEIVED	PRINT NAME	TITLE	SIGNATURE (BLUE INK ONLY)
		NOT APPLICABLE		

[THIS SPACE INTENTIONALLY LEFT BLANK]

APPENDIX E

INDEPENDENCE AFFIDAVIT

The undersigned individual, being duly sworn, deposes and says that:

1. He / She is PARTNER of KEEFE, MCCULLOUGH & CO., LLP, the Qualifier that has submitted the attached Qualification;
2. (a) Below is a list and description of any relationships, professional, financial or otherwise that Qualifier may have with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units for the past five (5) years.

(b) Additionally, the Qualifier agrees and understands that Qualifier shall give the Town written notice of any other relationships professional, financial or otherwise that Qualifier enters into with the Town, its elected or appointed officials, its employees or agents or any of its agencies or component units during the period of this Agreement.

(If paragraph 2(a) above does not apply, please indicate by stating, "not applicable" in the space below.)

NOT APPLICABLE

6. I have attached an additional page to this form explaining why such relationships do not constitute a conflict of interest relative to performing the services sought in the RFQ.

William G. Benson, CPA
Signature (Blue ink only)

WILLIAM G. BENSON, C.P.A.
Print Name

PARTNER
Title

1-15-2010
Date

Witness my hand and official notary seal/stamp at JANUARY 15, 2010 the day and year written above

STATE OF FLORIDA)
)SS:
COUNTY OF BROWARD)

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared WILLIAM G. BENSON, C.P.A. as PARTNER, of KEEFE, MCCULLOUGH & CO., LLP, an organization authorized to do business in the State of Florida, and acknowledged executing the foregoing Affidavit as the proper official of KEEFE, MCCULLOUGH & CO., LLP for the use and purposes mentioned in the Affidavit and affixed the official seal of the corporation, and that the instrument is the act and deed of that corporation. He / She is personally known to me or has produced _____ as identification.

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 15TH day of JANUARY, 20 10.

Beth C. Anderton
NOTARY PUBLIC

My Commission Expires: 10/1/13

